

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1A. TYPE OF WORK

DRILL ☒

DEEPEN ☐

PLUG BACK ☐

b. TYPE OF WELL

OIL  
WELL ☐

GAS  
WELL ☐

OTHER Wildcat

SINGLE  
ZONE ☒

MULTIPLE  
ZONE ☐

2. NAME OF OPERATOR

Lab Energy

3. ADDRESS OF OPERATOR

7107 South, 400 West, Midvale, Utah 84047

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)

At surface

1990 FSL, 657'FWL, Sec.14, T 7 S, R 4 W, SLM

At proposed prod. zone

Same

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE\*

Approximately 25 miles SW of Cedar Fort, Utah

15. DISTANCE FROM PROPOSED\*

LOCATION TO NEAREST

PROPERTY OR LEASE LINE, FT.

(Also to nearest drig. unit line, if any)

657'

16. NO. OF ACRES IN LEASE

1280

17. NO. OF ACRES ASSIGNED  
TO THIS WELL

Not spaced

18. DISTANCE FROM PROPOSED LOCATION\*

TO NEAREST WELL, DRILLING, COMPLETED,  
OR APPLIED FOR, ON THIS LEASE, FT.

19. PROPOSED DEPTH

7500'

20. ROTARY OR CABLE TOOLS

Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)

5070' Gr.

22. APPROX. DATE WORK WILL START\*

February 1, 1985

23.

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12 1/4"	9 5/8"	29.30#	500	200 sacks or 100% excess
8 3/4"	5 1/2"	15.50#	7500'	100 sacks

Drilling program is as follows: 30 feet of 20" corrugated or steel casing will be set for conductor pipe and cemented to surface.

500 feet of 12 1/4" hole will be drilled and 9 5/8 inch 29.3# casing will be run to total depth and cemented to the surface with 100% excess class H cement. If hydrocarbons are discovered, 5 1/2" 15.5# casing will be run to total depth and cemented with 100 sacks of class H cement.

Expected formation tops are as follows:

Tertiary, Salt Lake Formation Surface.  
Paleozoic, Oquirrh Formation 5000' -TD

All casing in this well will be J55, 8rd. new.

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout prevention program, if any.

24.

SIGNED

*Keith M. Hebertson*

TITLE

Petroleum Engineer

DATE

1/15/85

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

APPROVED BY

*John H. Stephenson*

TITLE

Assoc. District Mgr.

DATE

2/11/85

CONDITIONS OF APPROVAL, IF ANY:

*Operator*

\*See Instructions On Reverse Side

Supplemental Stipulations of Approval Attached

1. A full opening safety (stabbing) valve in the full open position, to fit the drill pipe in use, shall be available on the rig floor to place in the drill pipe if needed when the Kelly is not in the drill string.
2. Kelly cocks will be in drill string at all times.
3. During all phases of operation firearms will be prohibited.

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Petroleum Engineer

DATE

1/15/85

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

APPROVED BY THE STATE  
OF UTAH DIVISION OF  
OIL, GAS, AND MINING

APPROVED BY

TITLE

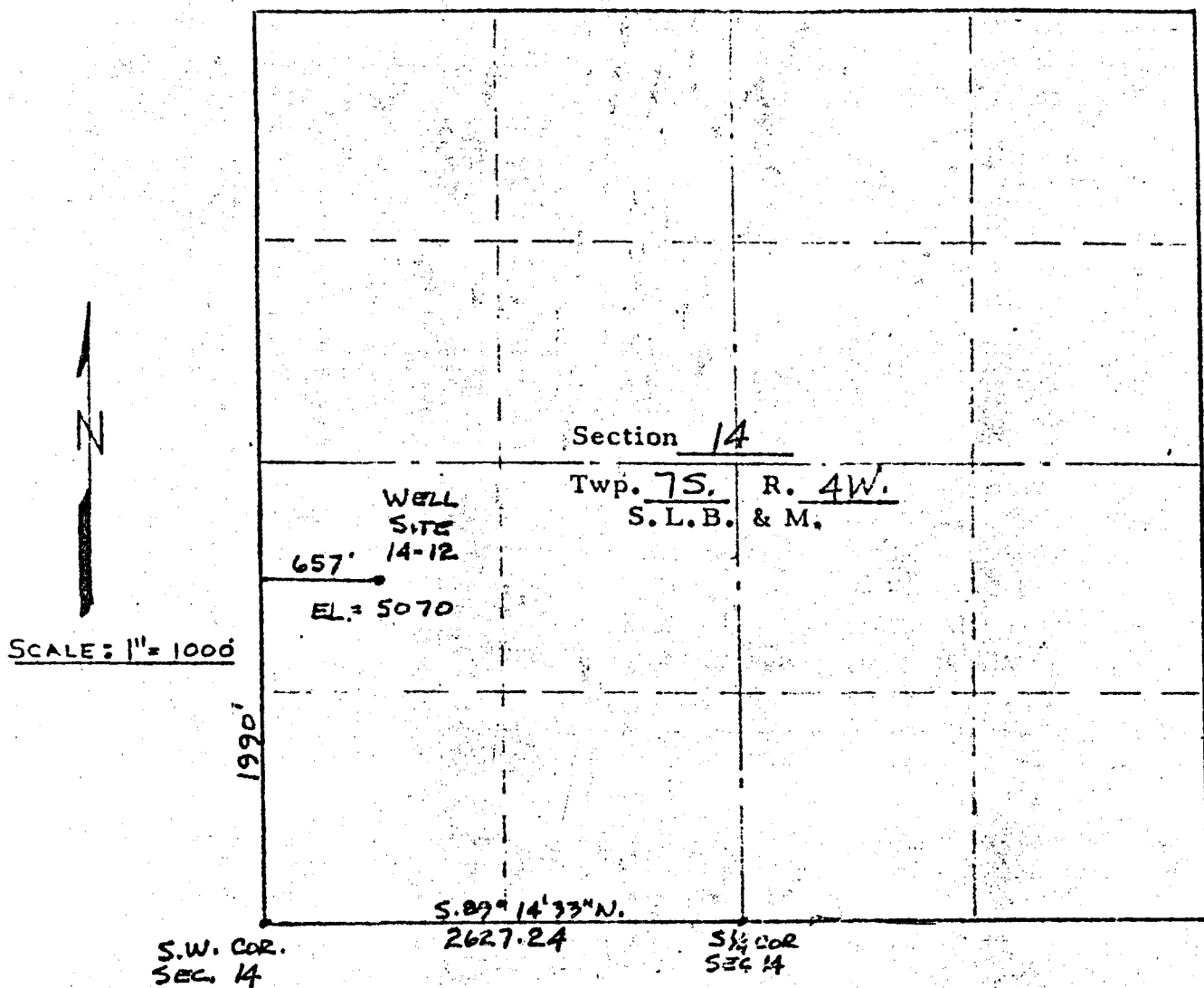
CONDITIONS OF APPROVAL, IF ANY:

DATE: 2/14/85

BY: John R. Bure

\*See Instructions On Reverse

WELL SPACING: A-3 (Unit well)



### SURVEYOR'S CERTIFICATE

I, Kay L. Ryan, of Ryan Engineering Inc., do hereby certify that I am a Registered Land Surveyor, and hold certificate No. 4385 as prescribed by the laws of the State of Utah, and have made a survey as shown on this plat of:

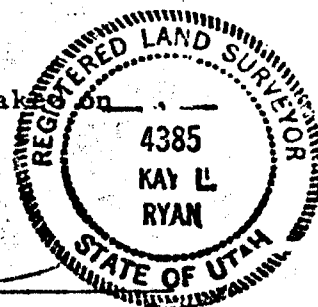
LAB Energy Inc., Federal #14-12, located 1990 ft. North and 657 ft. East from the Southwest Corner, Section 14, Township 7 South, Range 4 West, Salt Lake Meridian.

Ground Line Elevation. 5070 ft. (Approx.)

I further certify that the above plat shows the locations as staked on the ground.

Date 1-9-85

Kay L. Ryan



January 15, 1985

Mr. Clair Quilter  
Bureau of Land Management  
2370 South, 2300 West  
Salt Lake City, Utah 84119

Clair,

These are the locations submitted to the Unit Section for approval. I do not anticipate any changes.

Due to Unit requirements and lease requirements, it is essential that we have these cleared for drilling early in February.

I will be available for onsite inspections at your convenience. Anything you can do to expedite the process will be greatly appreciated.

Respectfully submitted,

*Keith M. Hebertson*  
Keith M. Hebertson  
Petroleum Engineer

RECEIVED  
JAN 17 1985

DIVISION OF  
OIL, GAS & MINING

## CONDITIONS OF APPROVAL FOR NOTICE TO DRILL

Company: Lab Energy      Well No. Sabie Creek Unit #14-12.  
Location: NWSW Sec. 14, T 7 S, R 4 W. Tooele County, Utah.  
Lease No. U-37742.

Onsite Inspection Date: By appointment.

All lease and/or unit operations will be conducted in such a manner that full compliance is made with applicable laws, regulations (43 CFR 3100), Onshore Oil and Gas Order No. 1, and the approved plan of operations. The operator is fully responsible for the actions of his subcontractors. A copy of these conditions will be furnished the field representative to insure compliance.

### A. Drilling Program

#### 1. Surface Formation and Estimated Formation Tops:

Surface: Salt Lake Formation  
5000' -TD: Paleozoic, Oquirrh Formation. (?)

#### 2. Estimated Depth at Which Oil, Gas, Water, or Other Mineral Bearing Zones are Expected to be Encountered:

	<u>Formation</u>	<u>Zone</u>
Expected oil zones:	Salt Lake Fm.	500'-5000'.
	Oquirrh Fm.	5000'-TD.
Expected gas zones:	Same.	
Expected water zones:	None.	
Expected mineral zones:	None	

All fresh water and prospectively valuable minerals (as described by BLM at onsite) encountered during drilling, will be recorded by depth and adequately protected. All oil and gas shows will be tested to determine commercial potential.

#### 3. Pressure Control Equipment:

3: Operator will maintain a minimum pressure control of 3000 psi. (See Figure 3). Blowout preventer will be operated with hydraulic and mechanical equipment. Kelly cocks will be available on the rig floor at all times. Drilling fluid weight sufficient to control well will be maintained. No over pressured zones are anticipated.

BOP systems will be consistent with API RP53. Pressure tests will be conducted before drilling out from under casing strings which have been set and cemented in place. Blowout preventer controls will be installed prior to drilling the surface casing plug and will remain in use until the well is completed or abandoned. Preventers will be inspected and operated at least daily to ensure good mechanical working order, and this inspection will be recorded on the daily drilling report. Preventers will be pressure tested before drilling casing cement plugs.

The District Office will be notified 3 days in advance in order to have a BLM representative on location during pressure testing.

4. Casing Program and Auxiliary Equipment:

4: As indicated. (See Figure 4). Casing will be cemented at 500' in depth and approximately 7000' in depth.

Anticipated cement tops will be reported as to depth; not the expected number of sacks of cement to be used. The District Office should be notified, with sufficient lead time, in order to have a BLM representative on location while running all casing strings and cementing.

5. Mud Program and Circulating Medium:

Drilling medium will be fresh water gel mud with 2% KCL. Mud weight will be held to 9# per gallon or less unless increased weight is needed to prevent blowout. Mud system will be kept at balance to minimize lost circulation. Pit level will be monitored visually.

No hydrogen sulfide is anticipated.

6. Coring, Logging and Testing Program:

6: Three drill stem tests are anticipated but not specific. No cores are planned. The minimum logging program includes a Dual Induction Laterolog; a Compensated Formation Density log and Neutron log with Gamma Ray and Caliper; and a Long Spaced Sonic Log.

Whether the well is completed as a dry hole or as a producer, "Well Completing and Recompletion Report and Log" (form 3160-4) will be submitted not later than 30 days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3164. Two copies of all logs, core descriptions, core analyses, surveys or data obtained and compiled during the drilling, workover, (cuttings, fluids, and/or gases) will be submitted when requested by the authorized officer (AO).

7. Abnormal Conditions, Bottom Hole Pressures and Potential Hazards:

7: It is expected that the reservoir drive pressure will be approximately equal to the hydrostatic pressure, or not more than 3000 psi. No hydrogen sulfide is expected. For contingency, a portable detector will be kept on site. If hydrogen sulfide is detected, the blowout preventers will be closed and the location evacuated until protective equipment can be provided.

No other mitigating circumstances were encountered in the #17-10 well drilled by Lab Energy to a depth of 7130 feet in 1983.

8. Anticipated Starting Dates and Notifications of Operations:

Location construction: January 20, 1985.

Spud date: February 1, 1985. Well must be under way as near to these dates as possible to meet unit requirements.

No location will be constructed or moved, no well will be plugged, and no drilling or workover equipment will be removed from a well to be placed in a suspended status without prior approval of the AO be obtained and notification given before resumption of operations.

The spud date will be reported orally to the AO within 48 hours after spudding. If the spudding occurs on a weekend or holiday, the report will be submitted on the following regular work day. The oral report will be followed up with a Sundry Notice.

In accordance with Onshore Oil and Gas Order No. 1, this well will be reported on Form 3160-6 "Monthly Report of Operations", starting with the month in which operations commence and continue each month until the well is physically plugged and abandoned. This report will be filed with the BLM, Salt Lake District Office, 2370 South 2300 West, SLC, Utah 84119.

Immediate Report: Spills, blowouts, fires, leaks, accidents, or any other unusual occurrences shall be promptly reported in accordance with the requirements of NTL-3A or its revision.

If a replacement rig is contemplated for completion operations, a "Sundry Notice" (Form 3160-5) to that effect will be filed, for prior approval of the AO, and all conditions of this approved plan are applicable during all operations conducted with the replacement rig.

Should the well be successfully completed for production, the AO will be notified when the well is placed in a producing status. Such notification will be sent by telegram or other written communication, not later than 5 days following the date on which the well is placed on production.

Pursuant to NTL-2B, with the approval of the District Manager, produced water may be temporarily disposed of into unlined pits for a period of up to 90 days. During the period so authorized, an application for approval of the permanent disposal method, along with the required water analysis and other information, must be submitted to the District Manager.

Pursuant to NTL-4A, lessees or operators are authorized to vent/flare gas during initial well evaluation tests, not exceeding a period of 30 days or the production of 50 MMCF of gas, whichever occurs first. An application must be filed with the District Manager and approval received, for any venting/flaring of gas beyond the initial 30 day or authorized test period.

A schematic facilities diagram as required by 43 CFR 3162.7-2, 3162.7-3, and 3162.7-4 shall be submitted to the



appropriate District Office within 30 days of installation or first production, whichever occurs first. All site security regulations as specified in 43 CFR 3162.7 shall be adhered to. All product lines entering and leaving hydrocarbon storage tanks will be effectively sealed in accordance with 43 CFR 3162.7-4.

A first production conference will be scheduled within 15 days after receipt of the first production notice.

No well abandonment operations will be commenced without the prior approval of the AO. In the case of newly drilled dry holes or failures, and in emergency situations, oral approval will be obtained from the AO. A "Subsequent Report of Abandonment" (Form 3160-5) will be filed with the AO within 30 days following completion of the well for abandonment. This report will indicate where plugs were placed and that the current status of surface reclamation work required by the approved APD or approved abandonment notice has been completed to the satisfaction of the AO or his representative, or the appropriate Surface Managing Agency.

Pursuant to Onshore Oil and Gas Order No. 1, lessees and operators have the responsibility to see that their exploration, development, production, and construction operations are conducted in a manner which conforms with applicable Federal laws and regulations to the extent that such State and local laws are applicable to operations on Federal or Indian lands.

Upon completion of approved plugging, a regulation marker will be erected in accordance with 43 CFR 3162.6. The marker will be constructed as follows:

The top of the marker will be closed or capped.

The following minimum information will be permanently placed on the marker with a plate, cap or beaded-on with a welding torch.

"Fed" or "Ind", as applicable. "Well number, location by 1/4 1/4 section, township and range". "Lease number".

Other:

## B. THIRTEEN-POINT SURFACE USE PLAN

### 1. Existing Roads:

a. Location of proposed well in relation to town or other reference point: Well is located approximately 22 miles SW of Cedar Fort Utah.

b. Proposed route to location:

1: All existing roads are shown on Figure 1 and 1A. Access to the locality is from State Highway #73 to the Faust Road, then west about 8 miles to a junction with an un-numbered county road

which turns off to the south. A 1/2 mile section of new road must be constructed west off this county road beginning about 1/2 mile south of the Faust road.

c. Plans for improvement and/or maintenance of existing roads:

2: Roads requiring improvement are indicated in red. (Figure 1). The maximum disturbed width will be 30' or less. Maximum grade will be 5% or less. No turnouts are required. The center line is indicated on Figure 1 in red. All roads to be improved will be done according to the Class III requirements as defined by the Bureau of Land Management, including rehabilitation. No drainages will be impaired so no culverts will be required.

d. Location and description of roads in the area: See Figure 1.

e. Other: None

2. Planned Access Roads:

a. The maximum total disturbed width will be kept to 30 feet. No new construction is planned except as in (d) above.

b. Maximum grades: Grades can be kept to 7% or less.

c. Turnouts: No turnouts will be required.

d. Location (centerline): (See Figure 1).

e. Drainage: Roads will be ditched and drained as required by BLM regulations. A 12-14 inch culvert will be placed where access road turns off Faust road. (See Figure 1). No major drainages will be disturbed.

f. Surface Materials: Road and location will be gravelled with material from pit located in Sec. 17, T 7 S, R 4 W. (See Figure 1).

g. Other:

Surface disturbance and vehicular travel will be limited to the approved location and access road. Any additional area needed will be approved by the District Manager in advance.

3. Location of Existing Wells: There are no existing wells within one mile of this site.

4. Location of Tank Batteries and Production Facilities:

A detailed location plan for drilling purposes is attached. (Figure 2). Until production is established, it is requested that the plat showing facilities should be deferred, since at present, equipment needed is unknown. The location terrain is essentially flat. Topsoil will be stockpiled on the NW corner of the pad. The pad will be sloped slightly toward the north to

permit drainage. The short access road and pad will be graveled with gravel from nearby existing pits if needed. Access to the pad will be had along an existing improved county road to the south off the Faust road. The access road will be ditched and crowned in addition to gravelling. (See Figure 1).

All permanent (on site for six months or longer) structures constructed or installed (including oil well pumpjacks) will be painted a flat, non-reflective, earthtone color to match the standard environmental colors, as determined by the Rocky Mountain 5 State Interagency Committee. All facilities will be painted within 6 months of installation. Facilities required to comply with O.S.H.A. (Occupational Safety and Health Act) will be excluded.

If a tank battery is constructed on this lease, it will be surrounded by a dike of sufficient capacity to contain 1 1/2 times the storage capacity of the battery.

Tank batteries will be placed on the: Deferred.

All loading lines will be placed inside the berm surrounding the tank battery.

All site security guidelines identified in 43 CFR 3162.7 regulations will be adhered to.

All off-lease storage, off-lease measurement, or commingling on-lease or off-lease will have prior written approval from the AO.

Gas meter runs for each well will be located within 500 feet of the wellhead. The gas flowline will be buried from the wellhead to the meter and 500 feet downstream of the meter run or any production facilities. Meter runs will be housed and/or fenced.

The oil and gas measurement facilities will be installed on the well location. The oil and gas meters will be calibrated in place prior to any deliveries. Tests for meter accuracy will be conducted at least quarterly thereafter. The AO will be provided with a date and time for the initial meter calibration, and reports will be submitted to the Salt Lake District Office. All meter measurement facilities will conform with the API standards for liquid hydrocarbons and the AGA standard for natural gas measurement.

5. Location and Type of Water Supply:

All water needed for drilling purposes will be obtained from: the Fitzgerald Ranch near Fairfield, Utah, Approximately 15 miles to east of location.

6. Source of Construction Material:

Road surfacing and pad construction material will be obtained

from: Gravel pit located in C 17, T 7 S, R 4 W. (See Figure 1).

The use of materials under BLM jurisdiction will conform to 43 CFR 3610.2-3.

Construction material will not be located on lease.

7. Methods of Handling Waste Disposal:

The reserve pit will not be lined:

Three sides of the reserve pit will be fenced with sheep proof field wire fence before drilling starts. The fourth side will be fenced as soon as the drilling is completed. The fence will be kept in good repair while the pit is drying.

All trash must be contained and disposed of by: Burning in a pit constructed for the purpose.

If burning is required, a permit will be obtained from the State Fire Warden, Tooele, Utah.

Produced waste water will be confined to a (line/unlined) pit for a period not to exceed ninety (90) days after initial production. During the ninety (90) day period, an application for approval of a permanent disposal method and location, along with the required water analysis, will be submitted for the District Manager's approval pursuant to Onshore Oil and Gas Order No.3 (NTL-2B). Failure to file an application within the time allowed will be considered an incident of noncompliance, and will be grounds for issuing a shut-in order.

8. Ancillary Facilities:

8: The only ancillary facilities required will be two trailers, one for the toolpusher and one for company personnel. In addition, the mud logging contractor will have a trailer and there may be one trailer for mud storage. (See Figure 2). A chemical toilet will be provided.

Camp facilities will not be required.

9. Well Site Layout: See Figure 2.

The reserve pit will be located: On the North side of the pad.

The top 4 inches of soil material will be removed for the location and stockpiled separately on: The northwest corner of the pad, away from traffic.

Topsoil along the access road will be reserved in place adjacent to the road.

Access to the well pad will be from: The east end, off existing road. (See Figure 1).

The trash pit will be located: See Figure 2.

10. Plans for Restoration of Surface:

10: Upon completion of operations, the pits will be filled and the topsoil replaced over the location. Reseeding will be as directed by the appropriate range management agency. No significant drainages will be affected. The operator or his agent will notify the District BLM office 48 hours before starting reclamation work.

Immediately upon completion of drilling, the location and surrounding area will be cleared of all debris, materials, trash and junk not required for production.

Before any dirt work to restore the location takes place, the reserve pit must be completely dry and all cans, barrels, pipe, etc. will be removed.

The operator or his contractor (will/will not) notify the Salt Lake District Office forty-eight (48) hours before starting reclamation work that involves earthmoving equipment and upon completion of restoration measures.

All disturbed areas will be recontoured to the approximate natural contours.

The stockpiled topsoil will be evenly distributed over the disturbed areas.

Prior to reseeding, all disturbed areas, including the access roads, will be scarified and left with a rough surface.

Seed will broadcast or drilled at a time specified by the BLM. If broadcast, a harrow or some other implement will be dragged over the seeded area to assure seed coverage.

The following seed mixture will be used:

The reserve pit and that portion of the location and access road not needed for production or production facilities will be reclaimed.

Additional Requirements: \_\_\_\_\_

11. Surface and Mineral Ownership: All surface is federally owned.

12. Other Information: A Blanket Archeological study has been done and a report will be forwarded immediately upon completion, by the University of Utah Department of Archeology.

There will be no deviation from the proposed drilling and/or workover program without prior approval from the AO. Safe drilling and operating practices must be observed. All wells, whether drilling, producing, suspended, or abandoned will be identified in accordance with 43 CFR 3162.2.

"Sundry Notice and Report on Wells" (Form 3160-5) and will be filed for approval for all changes of plans and other operations in accordance with 43 CFR 3164.

The dirt contractor will be provided with an approved copy of the surface use plan.

A cultural resource clearance (will/will not) be required before any construction begins. If any cultural resources are found during construction, all work will stop and the AO will be notified.

This permit will be valid for a period of one year from the date of approval. After permit termination, a new application will be filed for approval for any future operations.

13. Lessee's or Operators Representative and Certification:  
Attached.

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill site and access route; that I am familiar with the conditions which currently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and that the work associated with operations proposed herein will be performed by Lab Energy and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved. This statement is subject to the provisions of 18 U.S.C. 1001 for the filing of a false statement.

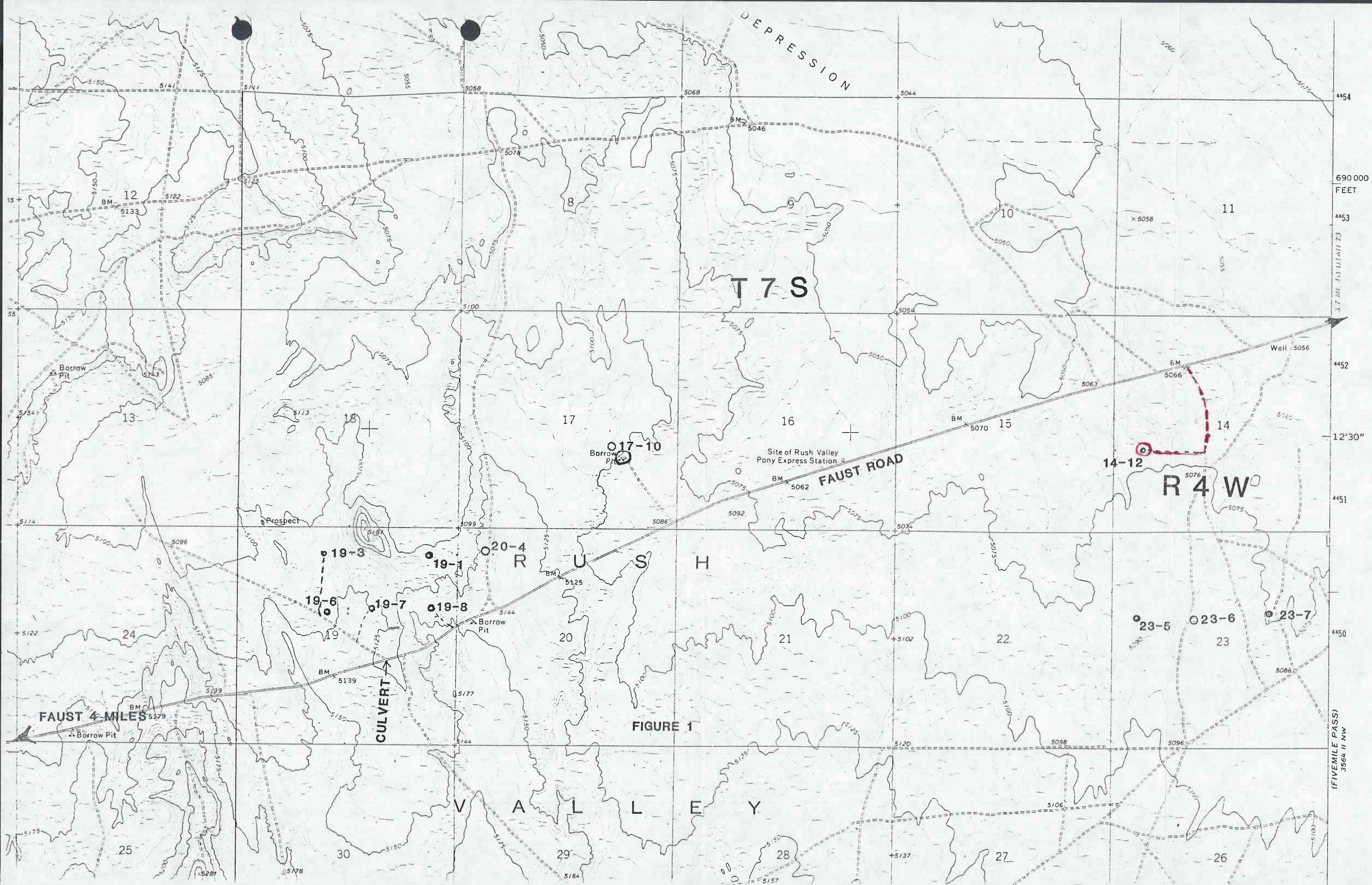
DATE: 1/15/85

NAME AND TITLE Keith M. Hebertson  
Keith M. Hebertson, Petroleum Engineer

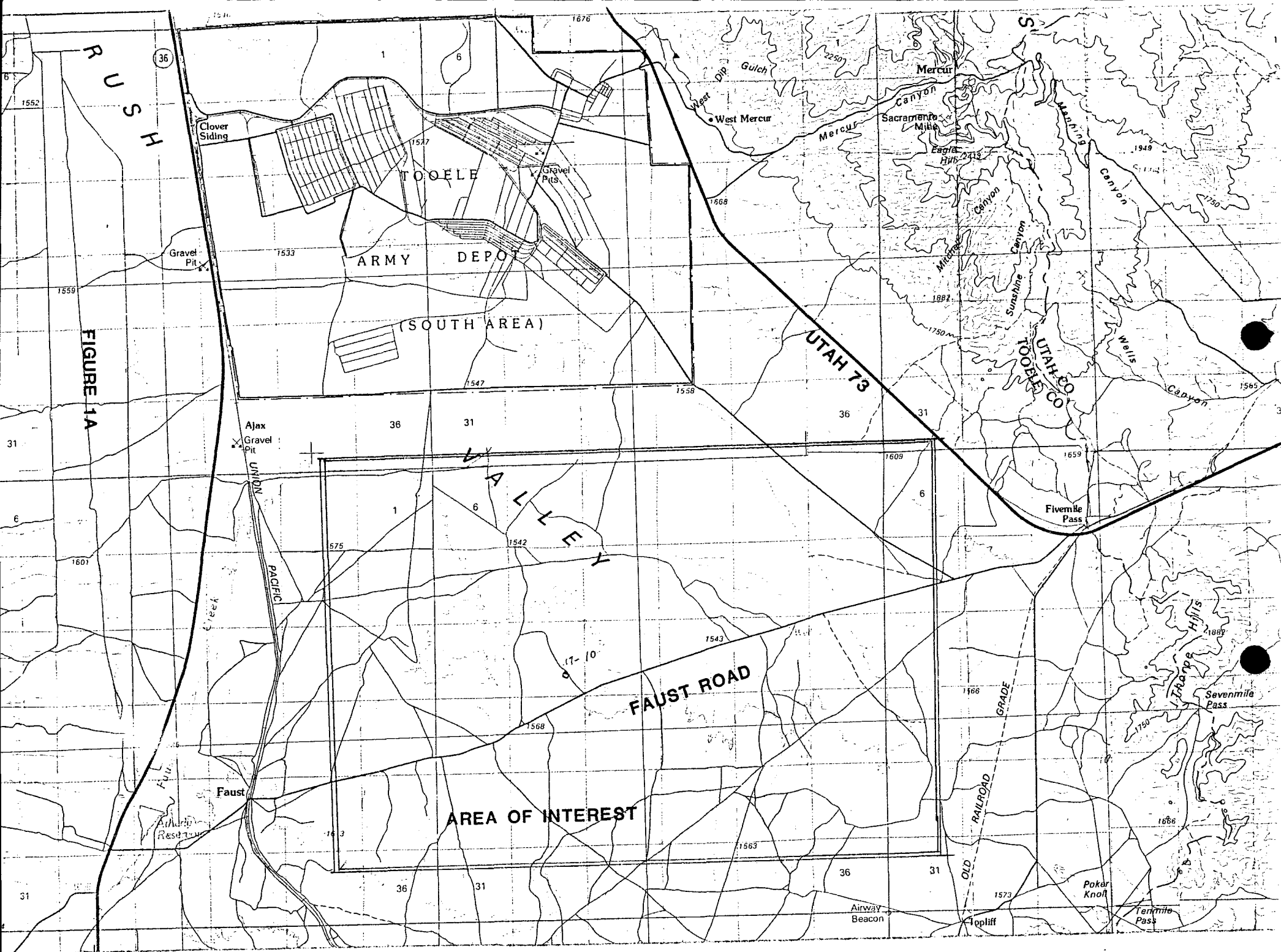
Keith M. Hebertson Telephone (801) 278-2109  
Hebertson Petroleum Consulting Inc  
2797 Sommet Drive  
Salt Lake City, Utah 84117

Frank P. Turner Telephone (801) 268-0067  
4785 So. Meadow View Road  
Murray, Utah 84107









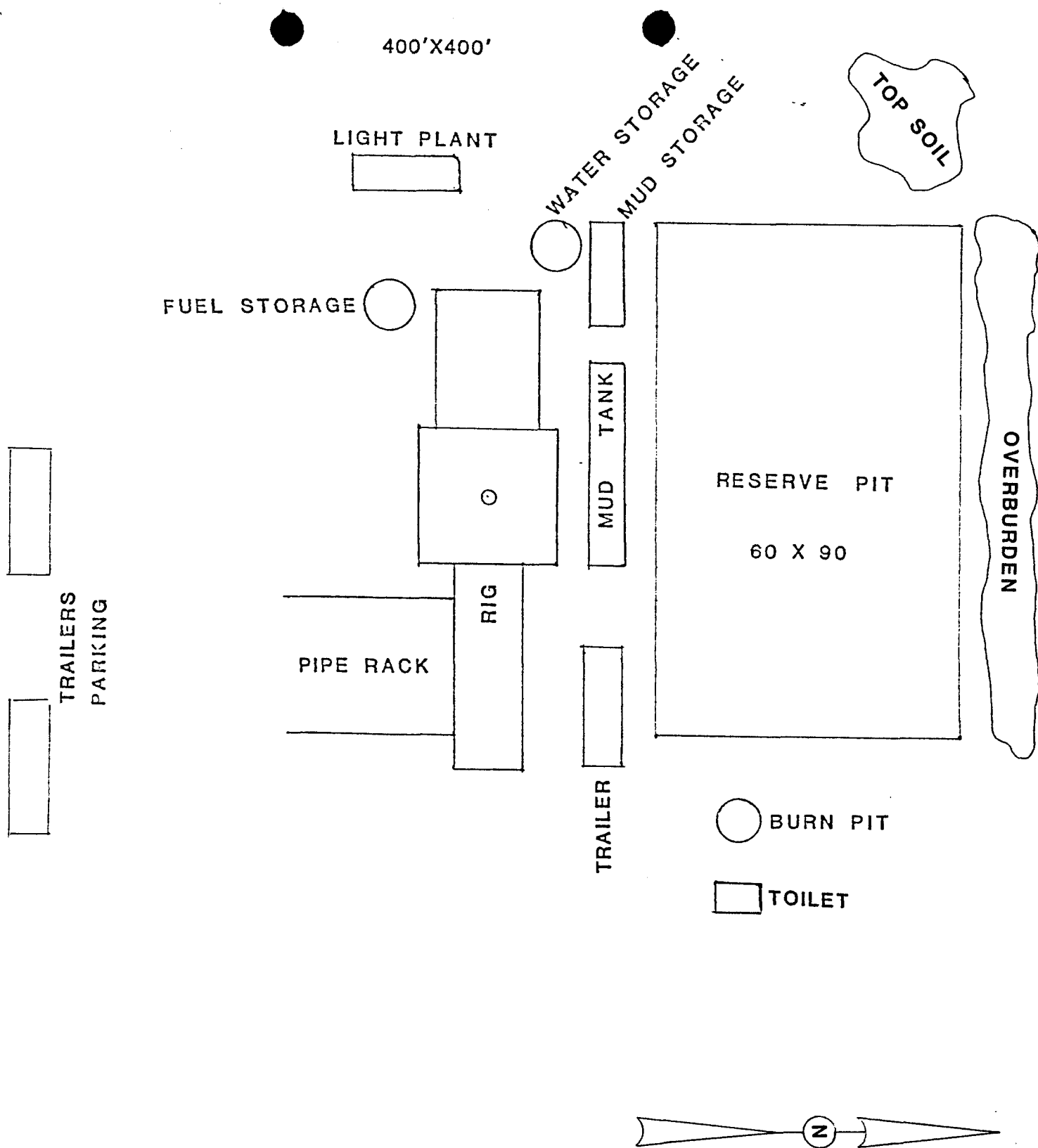


FIGURE 2

LOCATION PLAN

ROAD

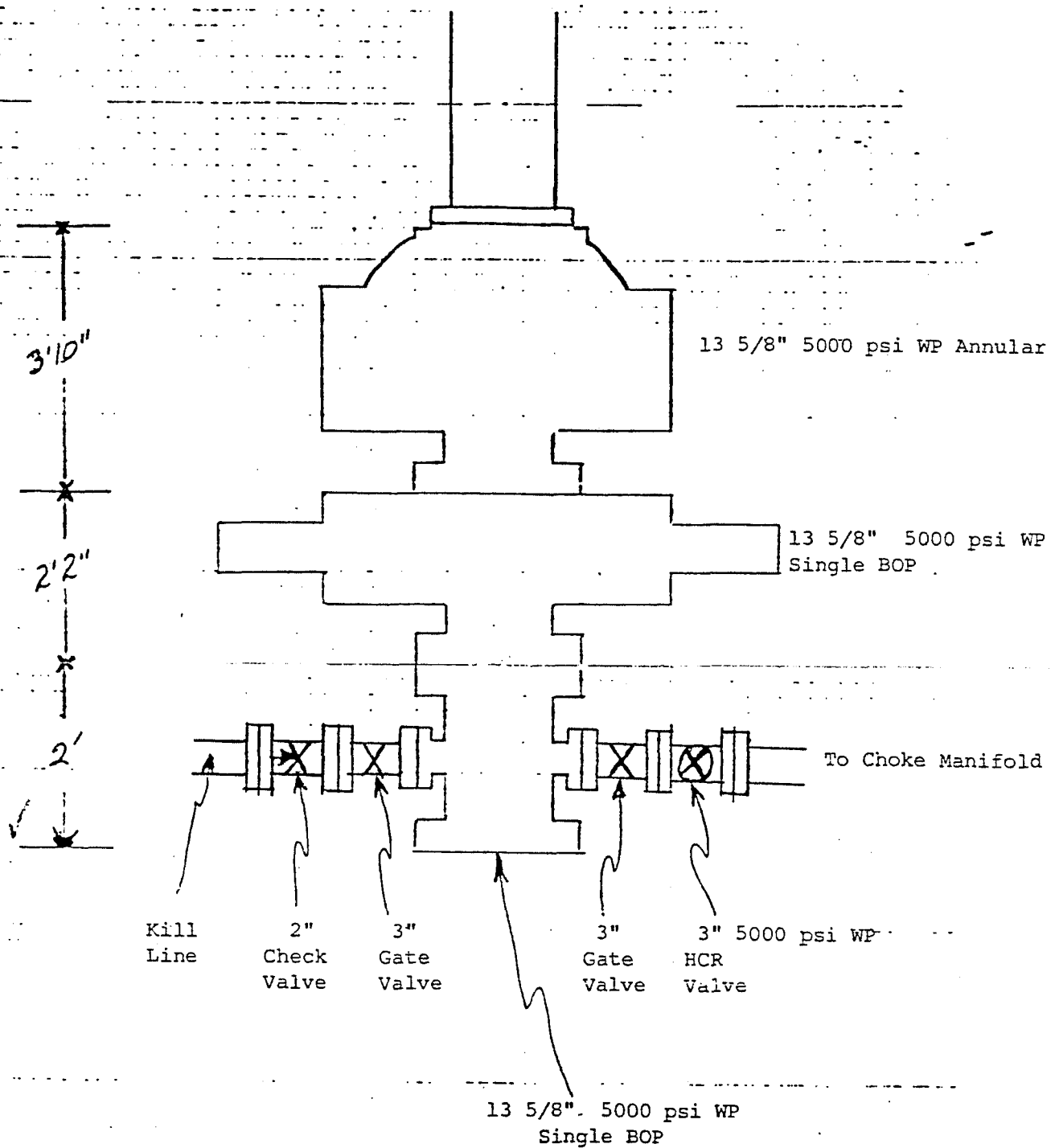


FIGURE 3

SCHEMATIC DIAGRAM

CASING DETAIL FOR  
SHALLOW WELL SINGLE  
STRING COMPLETION  
RUSH VALLEY, TOOELE  
COUNTY, UTAH

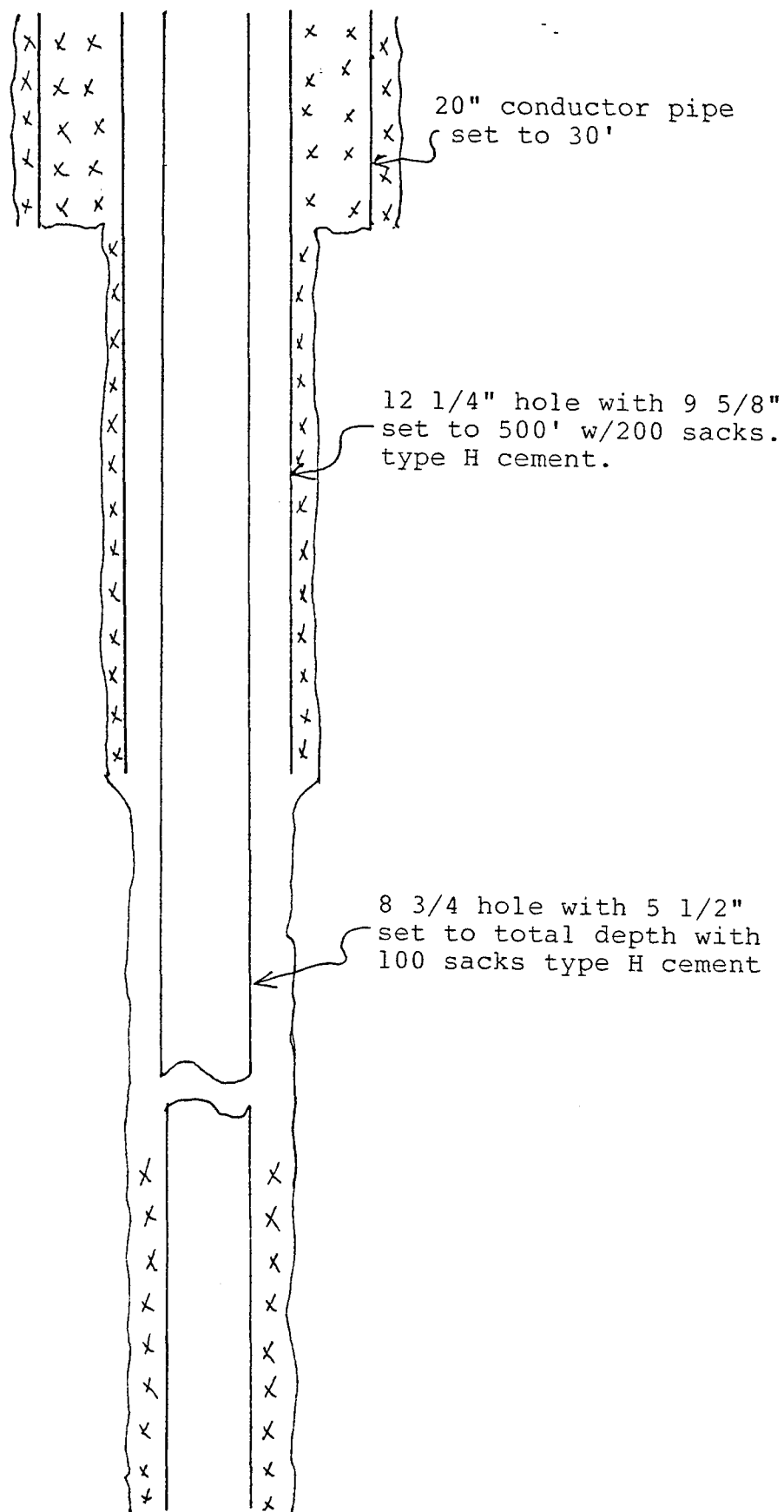


FIGURE 4

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

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(Also to nearest drig. unit line, if any)

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PROPOSED CASING AND CEMENTING PROGRAM

RECEIVED

FEB 13 1

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GAS & MINING

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24.

SIGNED

*Keith M. Helbertson*

TITLE

Petroleum Engineer

DATE

1/15/85

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

APPROVED BY

*John H. Stephenson*

TITLE

Assoc. District Mgr.

DATE

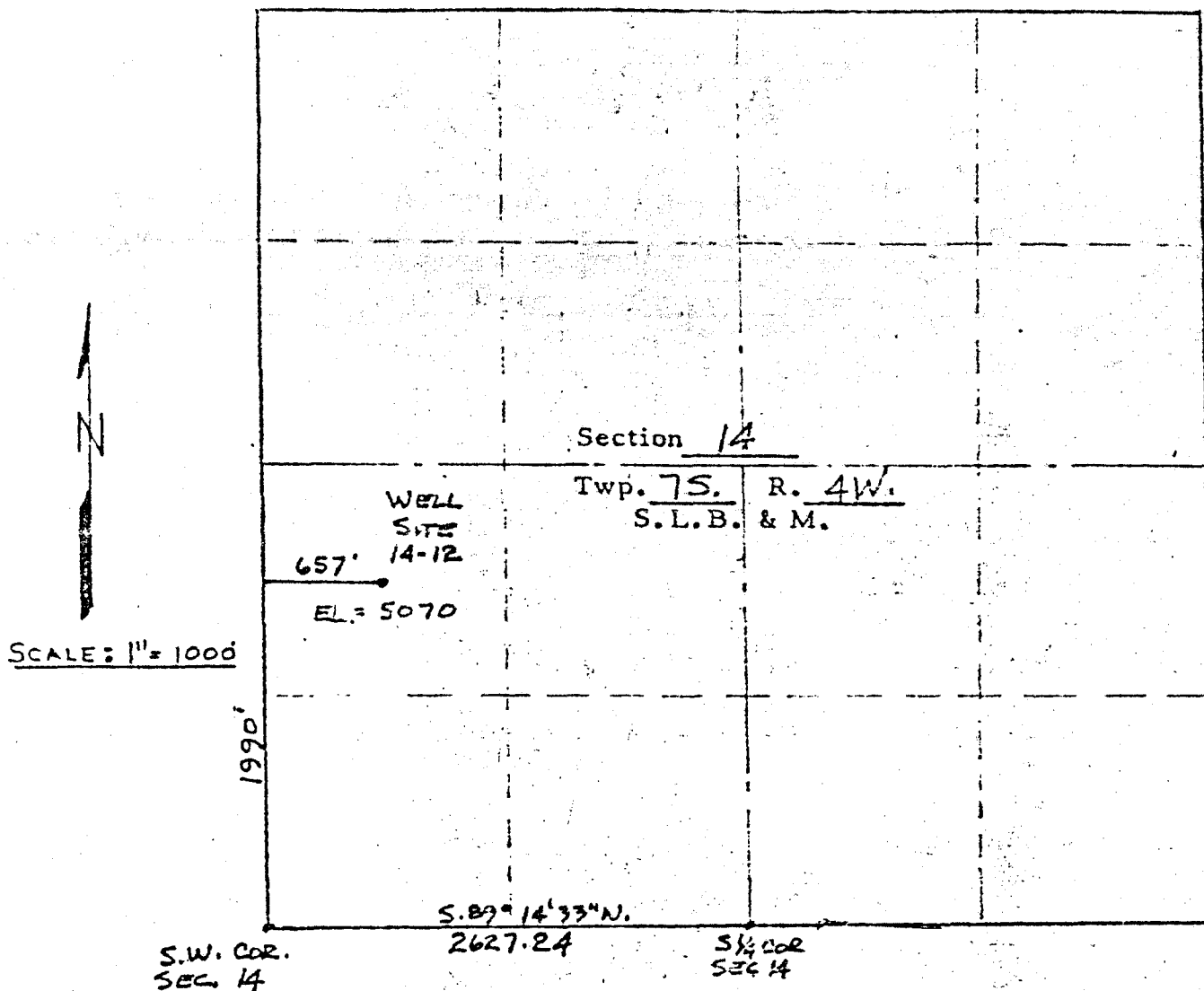
2/11/85

CONDITIONS OF APPROVAL, IF ANY:

Division Oil, Gas, & Mining

\*See Instructions On Reverse Side

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.



### SURVEYOR'S CERTIFICATE

I, Kay L. Ryan, of Ryan Engineering Inc., do hereby certify that I am a Registered Land Surveyor, and hold certificate No. 4385 as prescribed by the laws of the State of Utah, and have made a survey as shown on this plat of:

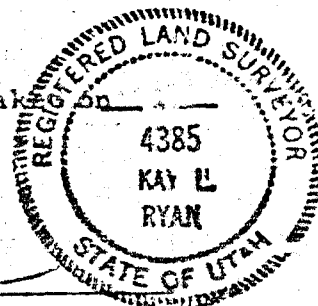
LAB Energy Inc., Federal #14-12, located 1990 ft. North and 657 ft. East from the Southwest Corner, Section 14, Township 7 South, Range 4 West, Salt Lake Meridian.

Ground Line Elevation. 5070 ft. (Approx.)

I further certify that the above plat shows the locations as staked on the ground.

Date 1-9-85

Kay L. Ryan



OPERATOR Lat Energy

DATE 2-13-85

WELL NAME \*Sabie Creek Unit #14-12

SEC NW SW 14 T 7S R 4W COUNTY Goole

43-045-30019  
API NUMBER

Feb  
TYPE OF LEASE

CHECK OFF:



PLAT



BOND



NEAREST WELL



LEASE



FIELD



POTASH OR  
OIL SHALE

PROCESSING COMMENTS:

Unit well

Need water permit

\* Chg name to Lat Energy #14-12 11/19/85 Unit terminated  
Re-entry 11/19/85

APPROVAL LETTER:

SPACING:



A-3

Sabie Creek - Feb  
UNIT appl.  
2/11/85



C-3-a

CAUSE NO. & DATE



C-3-b



C-3-c

STIPULATIONS:

1- Water



STATE OF UTAH  
NATURAL RESOURCES  
Oil, Gas & Mining

Norman H. Bangerter, Governor  
Dee C. Hansen, Executive Director  
Dianne R. Nielson, Ph.D., Division Director

355 W. North Temple • 3 Triad Center • Suite 350 • Salt Lake City, UT 84180-1203 • 801-538-5340

February 14, 1985

Lab Energy  
7107 South 400 West  
Midvale, Utah 84047

Gentlemen:

Re: Well No. Sabie Creek Unit #14-12 - NW SW Sec. 14, T. 7S, R. 4W  
1990' FSL, 657' FWL - Tooele County, Utah

Approval to drill the above referenced oil well is hereby granted in accordance with Section 40-6-18, Utah Code Annotated, as amended 1983; and predicated on Rule A-3, General Rules and Regulations and Rules of Practice and Procedure, subject to the following stipulations:

1. Prior to commencement of drilling, receipt by the Division of evidence providing assurance of an adequate and approved supply of water.

In addition, the following actions are necessary to fully comply with this approval:

1. Spudding notification to the Division within 24 hours after drilling operations commence.
2. Submittal to the Division of completed Form OGC-8-X, Report of Water Encountered During Drilling.
3. Prompt notification to the Division should you determine that it is necessary to plug and abandon this well. Notify John R. Baza, Petroleum Engineer, (Office) (801) 538-5340, (Home) 298-7695 or R. J. Firth, Associate Director, (Home) 571-6068.
4. Compliance with the requirements and regulations of Rule C-27, Associated Gas Flaring, General Rules and Regulations, Oil and Gas Conservation.



Page 2

Lab Energy

Well No. Sabie Creek Unit #14-12

February 14, 1985

5. This approval shall expire one (1) year after date of issuance unless substantial and continuous operation is underway or an application for an extension is made prior to the approval expiration date.

The API number assigned to this well is 43-045-30019.

Sincerely,



R. L. Firth  
Associate Director, Oil & Gas

as

Enclosures

cc: Branch of Fluid Minerals



# United States Department of the Interior

BUREAU OF LAND MANAGEMENT

SALT LAKE DISTRICT OFFICE  
2370 SOUTH 2300 WEST  
SALT LAKE CITY, UTAH 84119

IN REPLY  
REFER TO:

85-APD-13  
(U-202)

FEB 21 1985

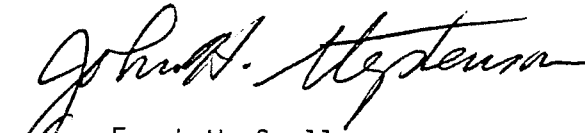
LAB Energy  
Mr. Keith M. Hebertson  
Hebertson Petroleum Consulting, Inc.  
2797 Sommet Drive  
Salt Lake City, Utah 84117

Dear Keith:

As a result of my inspection of road and site construction for LAB Energy #14-12, it is hereby ordered that current operations cease for a period of 90 days or until the ground dries sufficiently to allow operations to continue without causing undue and unnecessary degradation of the environment.

Periodic site inspections will be conducted by Clair Quilter to determine if conditions are such that operations may resume. If you have any questions, please feel free to contact him, or if I can be of assistance to you, please feel free to contact me.

Sincerely yours,



Frank W. Snell  
District Manager

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
GEOLOGICAL SURVEY

SUNDRY NOTICES AND REPORTS ON WELLS

(Do not use this form for proposals to drill or to deepen or plug back to a different reservoir. Use Form 9-331-C for such proposals.)

1. oil ☐ gas ☐ other Wildcat  
2. NAME OF OPERATOR  
Lab Energy  
3. ADDRESS OF OPERATOR 84047  
7107 South, 400 West, Midvale, Utah  
4. LOCATION OF WELL (REPORT LOCATION CLEARLY. See space 17 below.)  
AT SURFACE: 1990 FSL, 507 FWL, Sec. 14  
AT TOP PROD. INTERVAL: Same  
AT TOTAL DEPTH: Same

16. CHECK APPROPRIATE BOX TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

REQUEST FOR APPROVAL TO: SUBSEQUENT REPORT OF:

TEST WATER SHUT-OFF ☐  
FRACTURE TREAT ☐  
SHOOT OR ACIDIZE ☐  
REPAIR WELL ☐  
PULL OR ALTER CASING ☐  
MULTIPLE COMPLETE ☐  
CHANGE ZONES ☐  
ABANDON\* ☐

☐  
☐  
☐  
☐  
☐  
☐  
☐  
☐

(other)

Notice of suspension

5. LEASE  
U-37742  
6. IF INDIAN, ALLOTTEE OR TRIBE NAME  
7. UNIT AGREEMENT NAME  
Sabie Creek Unit  
8. FARM OR LEASE NAME  
Lab Energy  
9. WELL NO.  
#14-12  
10. FIELD OR WILDCAT NAME  
Sabie Creek  
11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA  
Sec. 14, T 7 S, R 4 W SLM  
12. COUNTY OR PARISH  
Tooele  
13. STATE  
Utah  
14. API NO.  
43-045-30019  
15. ELEVATIONS (SHOW DF, KDB, AND WD)  
5072' Grd.

(NOTE: Report results of multiple completion or zone change on Form 9-330.)

17. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)\*

Location construction began on 2/7/85. The pit dimensions were modified to 50' X 100' X 6' to have additional volume in event a fresh water flow is encountered.

Construction ceased on 2/22/85 by instructions from BLM manager, to prevent undue damage to the surface. Construction was 98% complete when operations ceased. No further work will proceed on this well until cleared by the BLM district office, Salt Lake City Utah.

Subsurface Safety Valve: Manu. and Type \_\_\_\_\_ Set @ \_\_\_\_\_ Ft.

18. I hereby certify that the foregoing is true and correct

SIGNED Keith M. Halstead TITLE Pet. Engineer DATE 2/26/85

(This space for Federal or State office use)

APPROVED BY \_\_\_\_\_ TITLE \_\_\_\_\_ DATE \_\_\_\_\_  
CONDITIONS OF APPROVAL, IF ANY:

# RECEIVED

Form 9-331  
Dec. 1973

FEB 27 1985

Form Approved.  
Budget Bureau No. 42-R1424

**UNITED STATES  
DEPARTMENT OF THE INTERIOR  
GEOLOGICAL SURVEY**

**DIVISION OF OIL  
& MINING**

**SUNDRY NOTICES AND REPORTS ON WELLS**

(Do not use this form for proposals to drill or to deepen or plug back to a different reservoir. Use Form 9-331-C for such proposals.)

1. oil well <input type="checkbox"/> gas well <input type="checkbox"/> other Wildcat	
2. NAME OF OPERATOR Lab Energy	
3. ADDRESS OF OPERATOR 84047 7107 South, 400 West, Midvale, Utah	
4. LOCATION OF WELL (REPORT LOCATION CLEARLY. See space 17 below.) AT SURFACE: 1990 FSL, 657 FWL Sec. 14 AT TOP PROD. INTERVAL: Same AT TOTAL DEPTH: Same	

16. CHECK APPROPRIATE BOX TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

REQUEST FOR APPROVAL TO:

SUBSEQUENT REPORT OF:

TEST WATER SHUT-OFF	<input type="checkbox"/>
FRACTURE TREAT	<input type="checkbox"/>
SHOOT OR ACIDIZE	<input type="checkbox"/>
REPAIR WELL	<input type="checkbox"/>
PULL OR ALTER CASING	<input type="checkbox"/>
MULTIPLE COMPLETE	<input type="checkbox"/>
CHANGE ZONES	<input type="checkbox"/>
ABANDON*	<input type="checkbox"/>
(other)	<input type="checkbox"/>

<input type="checkbox"/>
<input type="checkbox"/>
<input type="checkbox"/>
<input type="checkbox"/>
<input type="checkbox"/>
<input type="checkbox"/>
<input type="checkbox"/>
<input type="checkbox"/>
<input type="checkbox"/>

Commence Operations

5. LEASE U-37742	
6. IF INDIAN, ALLOTTEE OR TRIBE NAME	
7. UNIT AGREEMENT NAME Sabie Creek Unit	
8. FARM OR LEASE NAME Lab Energy	
9. WELL NO. #14-12	
10. FIELD OR WILDCAT NAME Sabie Creek	
11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA Sec. 14, T 7 S, R 4 W SLM	
12. COUNTY OR PARISH Tooele	13. STATE Utah
14. API NO. 43-045-30019	
15. ELEVATIONS (SHOW DF, KDB, AND WD) 5070 Gr.	

(NOTE: Report results of multiple completion or zone change on Form 9-330.)

17. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)\*

Before construction began, the location was moved 150' due West to take advantage of possible easier construction.

The new location is 1990 FSL, 507 FWL, Section 14, T 7 S, R 4 W, Tooele County, Utah. Elevation 5072' ground.

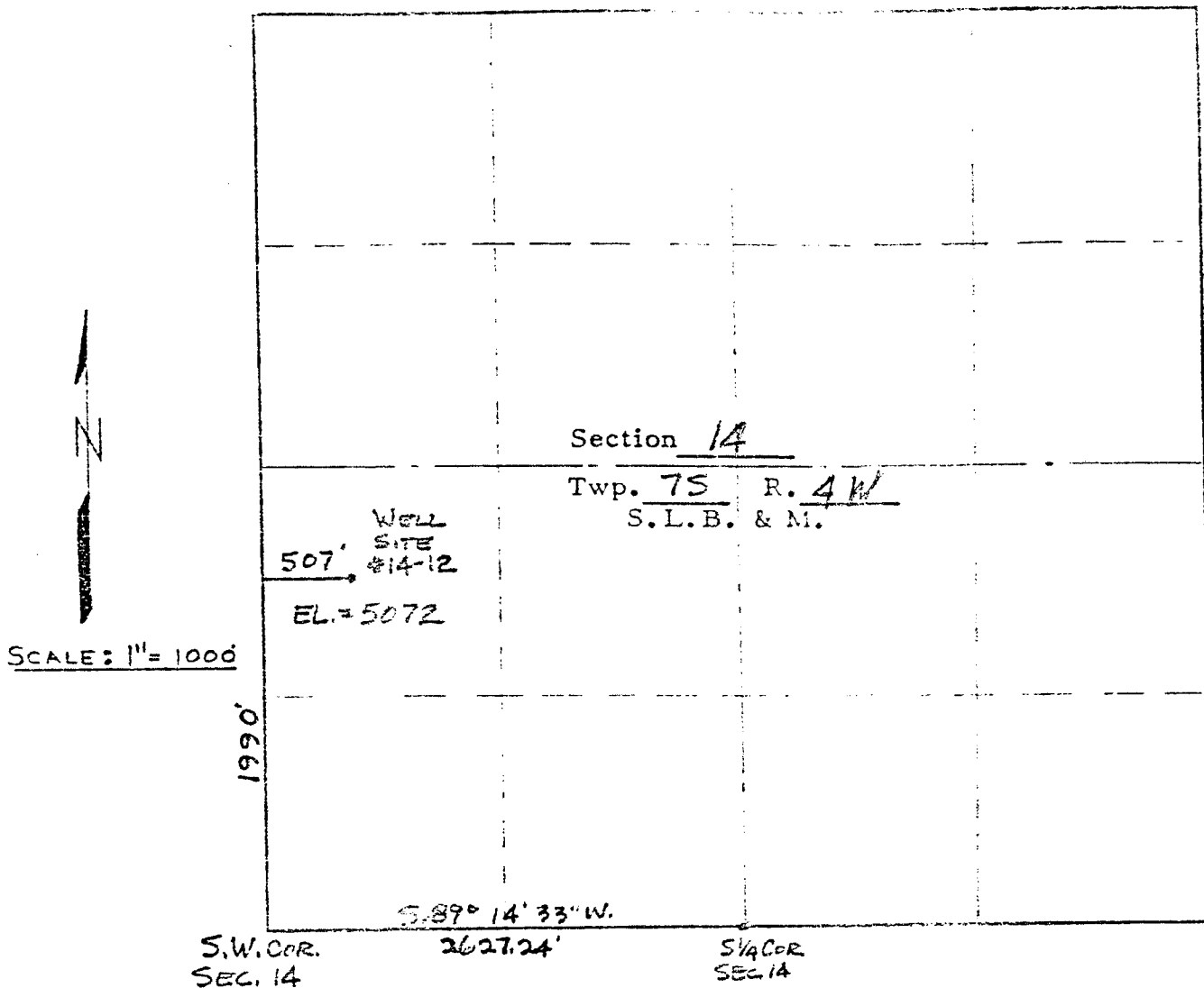
Subsurface Safety Valve: Manu. and Type \_\_\_\_\_ Set @ \_\_\_\_\_ Ft.

18. I hereby certify that the foregoing is true and correct

SIGNED Kent M Hebertson TITLE Pet. Engineer DATE 2/26/85

(This space for Federal or State office use)

APPROVED BY \_\_\_\_\_ TITLE \_\_\_\_\_ DATE \_\_\_\_\_  
CONDITIONS OF APPROVAL IF ANY:



### SURVEYOR'S CERTIFICATE

I, Kay L. Ryan, of Ryan Engineering Inc., do hereby certify that I am a Registered Land Surveyor, and hold certificate No. 4385 as prescribed by the laws of the State of Utah, and have made a survey as shown on this plat of:

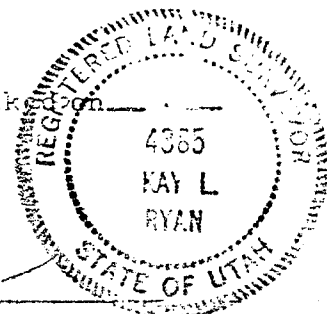
LAB Energy Inc., Federal #14-12, located 1990 ft. North and 507 ft. East from the Southwest Corner, Section 14, Township 7 South, Range 4 West, Salt Lake Meridian.

Ground line Elevation: 5072 ft. (Approx.)

I further certify that the above plat shows the locations as staked on the ground.

Date Feb 18, 1955

*Kay L. Ryan*



UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

SUBMIT IN TRIPPLICATE  
(Other instructions  
verse side)

Form approved.  
Budget Bureau No. 1004-0135  
Expires August 31, 1985

SUNDRY NOTICES AND REPORTS ON WELLS

(Do not use this form for proposals to drill or to deepen or plug back to a different reservoir.  
Use "APPLICATION FOR PERMIT" for such proposals.)

1. OIL WELL <input type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER Wildcat		MAY 23 1985	
2. NAME OF OPERATOR Lab Energy		DIVISION OF OIL & GAS & MINING	
3. ADDRESS OF OPERATOR 7107 South 400 West, Midvale, Utah 84049		9. WELL NO. 14-12	
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements. See also space 17 below.) At surface 1990 FSL 507 FWL Sec. 14, T 7 S, R 4 W, Tooele County, Utah		10. FIELD AND POOL, OR WILDCAT Wildcat	
14. PERMIT NO.		15. ELEVATIONS (Show whether OF, RT, OM, etc.) 5070 Ground	
		12. COUNTY OR PARISH Tooele	13. STATE Utah

Check Appropriate Box To Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:

TEST WATER SHUT-OFF <input type="checkbox"/>	PULL OR ALTER CASING <input type="checkbox"/>
FRACTURE TREAT <input type="checkbox"/>	MULTIPLE COMPLETE <input type="checkbox"/>
SHOOT OR ACIDIZE <input type="checkbox"/>	ABANDON* <input type="checkbox"/>
REPAIR WELL <input type="checkbox"/>	CHANGE PLANE <input type="checkbox"/>
(Other) <input type="checkbox"/>	

SUBSEQUENT REPORT OF:

WATER SHUT-OFF <input type="checkbox"/>	REPAIRING WELL <input type="checkbox"/>
FRACTURE TREATMENT <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
SHOOTING OR ACIDIZING <input type="checkbox"/>	ABANDONMENT* <input type="checkbox"/>
(Other) <input type="checkbox"/>	

(NOTE: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

17. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

To notify of Designation of Agent. (attached)

18. I hereby certify that the foregoing is true and correct

SIGNED Keith M. Hedderley

TITLE Petroleum Engineer

DATE 5/6/85

(This space for Federal or State office use)

APPROVED BY [Signature]

DISTRICT MANAGER

DATE MAY 08 1985

CONDITIONS OF APPROVAL, IF ANY:

Operator

\*See Instructions on Reverse Side

(Submit in quadruplicate.)

(Appropriate Authorized Officer)

DESIGNATION OF AGENT

The undersigned is, on the records of the Bureau of Land Management, unit operator under the Sable Creek unit agreement, Tooele County, Utah, No. UtO-20P49-85U696, approved and effective on Feb. 27, 1985

and hereby designates

NAME: Kirby Petroleum Corporation  
ADDRESS: Rt. 4, Box 13, Kaufman, Texas 75142

as its agent, with full authority to act on its behalf in complying with the terms of the unit agreement and regulations applicable thereto and on whom the authorized officer or his representative may serve written or oral instructions in securing compliance with the oil and gas operating regulations with respect to drilling, testing, and completing unit well No. 14-12 in the NW 1/4 SW 1/4, Sec. 14, T. 7S, R. 4W, Tooele County, Utah.

It is understood that this designation of agent does not relieve the unit operator of responsibility for compliance with the terms of the unit agreement and the oil and gas operating regulations. It is also understood that this designation of agent does not constitute an assignment of any interest under the unit agreement or any lease committed thereto.

In case of default on the part of the designated agent, the unit operator will make full and prompt compliance with all regulations, lease terms, or orders of the Secretary of the Interior or his duly authorized representative.

The unit operator agrees promptly to notify the authorized officer of any change in the designated agent.

This designation of agent is deemed to be temporary and in no manner a permanent arrangement, and a designated agent may not designate another party as agent.

This designation is given only to enable the agent herein designated to drill the above specified unit well. Unless sooner terminated, this designation shall terminate when there is filed in the appropriate office of the Bureau of Land Management a completed file of all required Federal reports pertaining to the subject well. It is also understood that this designation of agent is limited to field operations and does not include administrative actions requiring specific authorization of the unit operator.

May 6, 1985

Date

Lab Energy

Unit Operator

*Arden S. Jacobs* President

NOTE: The designation of agent also must clearly state that either (1) the unit operator will take over the operation of any well(s) drilled under the designation if unitized production is obtained in paying quantities, or (2) that the designated agent will assume the duties of unit operator and will take over operation of all unit wells. In the absence of such statement, the authorized officer should condition his acceptance of the Designation of Agent on the above criteria.

APPROVED - EFFECTIVE MAY 8 1985

ACTING

CHIEF, BRANCH OF FLUID MINERALS  
BUREAU OF LAND MANAGEMENT

## DIVISION OF OIL, GAS AND MINING

SPODDING INFORMATION

API #43-045-30019

NAME OF COMPANY: LAB ENERGYWELL NAME: SABIE CREEK UNIT 14-12SECTION NW SW 14 TOWNSHIP 7S RANGE 4W COUNTY TooeleDRILLING CONTRACTOR TWT Well ServicesRIG # SPUDDED: DATE 5-29-85TIME How Rat Hole DiggerDRILLING WILL COMMENCE REPORTED BY Keith HebertsonTELEPHONE # 278-2109DATE 5-30-85 SIGNED AS





STATE OF UTAH  
NATURAL RESOURCES  
Water Rights

*file*  
Norman H. Langerter, Governor  
Dee C. Hansen, Executive Director  
Robert L. Morgan, State Engineer

1636 West North Temple • Suite 220 • Salt Lake City, UT 84116-3156 • 801-533-6071

May 31, 1985

Lab Energy, Inc.  
7107 South 400 West  
Midvale, Utah 84047

RE: Temporary Application  
54-595 (T60912)

Gentlemen:

Enclosed is a copy of your approved Temporary Application Number 54-595 (T60912). This is your authority to construct your works and to divert the water for the uses described.

This application will expire August 31, 1985, and it is expected that no diversion or use of this water will be done after that date unless another proposal has been made and approved.

Your contact with this office, should you need it, is with the Area Engineer, Ed Feldt. The telephone number is 533-6071.

Yours truly,

*Robert L. Morgan*  
Robert L. Morgan, P.E.,  
State Engineer

RLM:slm

Enclosure

**RECEIVED**

**JUN 17 1985**

**DIVISION OF OIL  
& GAS & MINING**

# TEMPORARY

56 63 46

Application No. \_\_\_\_\_

56 63 46  
T 40912  
54-595

APPLICATION TO APPROPRIATE WATER

STATE OF UTAH

# WATER RIGHTS

NOTE:—The information given in the following blanks should be taken from explanatory matter, but when necessary, a complete supplementary statement should be made on the following page under the heading "Explanatory."

1. Irrigation ☐ Domestic ☐ Stockwatering ☐ Municipal ☐ Power ☐ Mining ☐ Other Uses ☒

1. Irrigation ☐ Domestic ☐ Stockwatering ☐ Municipal ☐ Power ☐ Mining ☐ Other Uses ☒
2. The name of the applicant is LAB ENERGY INC.
3. The Post Office address of the applicant is 7107 SOUTH 400 WEST MIDVALE, UTAH 48047
4. The quantity of water to be appropriated .65 second-feet and/or 25 acre-feet
5. The water is to be used for \_\_\_\_\_ from \_\_\_\_\_ to \_\_\_\_\_  
(Major Purpose) (Month) (Day) (Month) (Day)  
other use period OIL WELL DRILLING from JUNE 1 to AUGUST 1  
(Minor Purpose) (Month) (Day) (Month) (Day)  
and stored each year (if stored) from \_\_\_\_\_ to \_\_\_\_\_  
(Month) (Day) (Month) (Day)
6. The drainage area to which the direct source of supply belongs is \_\_\_\_\_  
(Leave Blank)
7. The direct source of supply is\* A WELL  
(Name of stream or other source)  
which is tributary to \_\_\_\_\_, tributary to \_\_\_\_\_

\*Note.—Where water is to be diverted from a well, a tunnel, or drain, the source should be designated as "Underground Water" in the first space and the remaining spaces should be left blank. If the source is a stream, a spring, a spring area, or a drain, so indicate in the first space, giving its name, if named, and in the remaining spaces, designate the stream channels to which it is tributary, even though the water may sink, evaporate, or be diverted before reaching said channels. If water from a spring flows in a natural surface channel before being diverted, the direct source should be designated as a stream and not a spring.

8. The point of diversion from the source is in \_\_\_\_\_ UTAH \_\_\_\_\_ County, situated at a point\*  
N 840 FT. & W 278 Ft. FROM THE S $\frac{1}{2}$  COR. SEC. 18, T 6 S, R 1 W, SLB & M

\*Note.—The point of diversion must be located definitely, by course and distance or by giving the distances north or south, and east or west with reference to a United States land survey corner or United States mineral monument, if within a distance of six miles of either, or if at a greater distance, to some prominent and permanent natural object. No application will be received for filing in which the point of diversion is not defined definitely.

9. The diverting and carrying works will consist of A 16" WELL, 475 FT. DEEP
10. If water is to be stored, give capacity of reservoir in acre-feet \_\_\_\_\_ height of dam \_\_\_\_\_ area inundated in acres \_\_\_\_\_ legal subdivision of area inundated \_\_\_\_\_
11. If application is for irrigation purposes, the legal subdivisions of the area irrigated are as follows:  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_
12. Is the land owned by the applicant? Yes \_\_\_\_\_ No X If "No," explain on page 2.
13. Is this water to be used supplementally with other water rights? Yes \_\_\_\_\_ No X  
If "yes," identify other water rights on page 2.
14. If application is for power purposes, describe type of plant, size and rated capacity. \_\_\_\_\_
15. If application is for mining, the water will be used in \_\_\_\_\_ Mining District at the \_\_\_\_\_ mine, where the following ores are mined \_\_\_\_\_
16. If application is for stockwatering purposes, number and kind of stock watered \_\_\_\_\_
17. If application is for domestic purposes, number of persons \_\_\_\_\_, or families \_\_\_\_\_
18. If application is for municipal purposes, name of municipality \_\_\_\_\_
19. If application is for other uses, include general description of proposed uses \_\_\_\_\_  
DRILLING FLUID FOR OIL EXPLORATION WELLS
20. Give place of use by legal subdivision of the United States Land Survey for all uses described in paragraphs 14 to 19, incl. SECTIONS 14 & 19, T 7 S., R 4 W., SLB & M
21. The use of water as set forth in this application will consume .65 second-feet and/or acre-feet of water and \_\_\_\_\_ second feet and/ or acre feet will be returned to the natural stream or source at a point described as follows: \_\_\_\_\_

EXPLANATORY

The following additional facts are set forth in order to define more clearly the full purpose of the proposed application:

Water will be trucked to place of use.

[Lined area for additional explanatory text]

(Use page 4 if additional explanatory is needed.)

The quantity of water sought to be appropriated is limited to that which can be beneficially used for the purpose herein described

*Sub Energy Inc. Alan B. Jacobs, Pres.*  
Signature of Applicant\* v

\*If applicant is a corporation or other organization, signature must be the name of such corporation or organization by its proper officer, or in the name of the partnership by one of the partners, and the names of the other partners shall be listed. If a corporation or partnership, the affidavit below need not be filled in. If there is more than one applicant, a power of attorney, authorizing one to act for all, should accompany the Application.

DECLARATION OF CITIZENSHIP

STATE OF UTAH, }  
County of *Salt Lake* } ss

On the *27th* day of *April*, 19*85*, personally appeared before me, a notary public for the State of Utah, the above applicant who, on oath, declared that he is a citizen of the United States, or has declared his intention to become such a citizen.

My commission expires:

*[Signature]*  
Notary Public

(SEAL)  
RECORDING IN SALT LAKE CITY, UTAH  
COMMISSION EXPIRES: JANUARY 14 1989

# FEES FOR APPLICATIONS TO APPROPRIATE WATER IN UTAH

Flow rate — c.f.s.	Cost
0.0 to 0.1 .....	\$ 15.00
over 0.1 to 0.5 .....	30.00
over 0.5 to 1.0 .....	45.00
over 1.0 to 15.0 .....	45.00 plus \$7.50 for each cfs above the first cubic
over 15.0 .....	150.00 foot per second.

Storage — acre-feet	
0 to 20 .....	22.50
over 20 to 500 .....	45.00
over 500 to 7500 .....	45.00 plus \$7.50 for each 500 a.f. above the first
over 7500 .....	150.00 500 acre feet.

(This section is not to be filled in by applicant)

## STATE ENGINEER'S ENDORSEMENTS

1. 5-29-85 Application received ~~over counter~~ <sup>by mail</sup> in State Engineer's office by RB
2. .... Priority of Application brought down to, on account of .....
3. 5-29-85 Application fee, \$ 45.00, received by SLM Rec. No. 18174
4. .... Application microfilmed by ..... Roll No. ....
5. .... Indexed by ..... Platted by .....
6. 5-29-85 Application examined by RB SLM
7. .... Application returned, ..... or corrected by office .....
8. .... Corrected Application resubmitted <sup>by mail</sup> ~~over counter~~ to State Engineer's office.
9. ~~5-29-85~~ Application approved for advertisement by SLM
10. .... Notice to water users prepared by .....
11. .... Publication began; was completed .....
12. .... Notice published in .....
13. .... Proof slips checked by .....
14. .... Application protested by .....
15. .... Publisher paid by M.E.V. No. ....
16. .... Hearing held by .....
17. 05/23/85 Field examination by .....
18. 5/31/85 Application designated for <sup>approval</sup> ~~rejection~~ SLM 5.6.
19. 5/31/85 Application copied or photostated by SLM proofread by .....
20. 5/31/85 Application <sup>approved</sup> ~~rejected~~ .....
20. Conditions:

This Application is approved, subject to prior rights, as follows:

- a. Actual construction work shall be diligently prosecuted to completion.
- b. Proof of Appropriation shall be submitted to the State Engineer's office by NPR
- c. TEMPORARY APPROVAL -- EXPIRES August 31, 1985.

Robert L. Morgan  
Robert L. Morgan, P.E., State Engineer

21. .... Time for making Proof of Appropriation extended to .....
22. .... Proof of Appropriation submitted.
23. .... Certificate of Appropriation, No. ...., issued

Application No. T 60912

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

SUBMIT IN TRIPPLICATE  
(Other instructions on re-  
verse side)

Form approved.  
Budget Bureau No. 1004-0135  
Expires August 31, 1985

SUNDRY NOTICES AND REPORTS ON WELLS

(Do not use this form for proposals to drill or to deepen or plug back to a different reservoir.  
Use "APPLICATION FOR PERMIT—" for such proposals.)

1. OIL WELL <input type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER Wildcat		JUN 21 1985		5. LEASE DESIGNATION AND SERIAL NO. U=37742	
2. NAME OF OPERATOR Lab Energy Inc.		DIVISION OF OIL GAS & MINING		6. IF INDIAN, ALLOTTEE OR TRIBE NAME	
3. ADDRESS OF OPERATOR 7107 South 400 West, Midvale, Utah 84047		4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.* See also space 17 below.) 1990 FSL, 507 FWL, Sec. 14, T 7 S, R 4 W, Tooele County, Utah SLM		7. UNIT AGREEMENT NAME Sable Creek Unit	
14. PERMIT NO. 43-045-30019		15. ELEVATIONS (Show whether DF, RT, OR, etc.) 5070 Ground 5083 KB		8. FARM OR LEASE NAME Lab Energy	
				9. WELL NO. #14 - 12	
				10. FIELD AND POOL, OR WILDCAT Wildcat	
				11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA SLM Sec. 14, T 7 S, R 4 W	
				12. COUNTY OR PARISH Tooele	
				13. STATE Utah	

16. Check Appropriate Box To Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:

SUBSEQUENT REPORT OF:

TEST WATER SHUT-OFF	<input type="checkbox"/>
FRACTURE TREAT	<input type="checkbox"/>
SHOOT OR ACIDIZE	<input type="checkbox"/>
REPAIR WELL	<input type="checkbox"/>
(Other)	<input type="checkbox"/>

PLUG OR ALTER CASING	<input type="checkbox"/>
MULTIPLE COMPLETION	<input type="checkbox"/>
ABANDON*	<input type="checkbox"/>
CHANGE PLANS	<input type="checkbox"/>

WATER SHUT-OFF	<input type="checkbox"/>
FRACTURE TREATMENT	<input type="checkbox"/>
SHOOTING OR ACIDIZING	<input type="checkbox"/>
(Other)	<input type="checkbox"/>

REPAIRING WELL	<input type="checkbox"/>
ALTERING CASING	<input type="checkbox"/>
ABANDONMENT*	<input checked="" type="checkbox"/>

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

17. DES. RISE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

This well reached a total depth of 4046 feet on June 16, 1985.  
Verbal permission was received to plug and abandon from Mr. Martens about 4:00 PM. Casing consists of 9 5/8 inch, 29.3# J55 set to 500', and cemented to surface. Circulated cement.  
Tertiary sediments from 500' to 3530', 7 7/8 size hole.

Paleozoic sediments (Oquirrh?) 3530' to 4046', 7 7/8 size hole.

Plugs as follows:

3946' to 4046', 100 sax regular cement.  
3440' to 3640', 100 sax regular cement.  
405' to 605', 200 sax regular cement. Across bottom of surface pipe.  
5 sax regular cement in top of surface pipe. Waiting on Dry hole marker.

Hole was left full of 9.4#, 50 vis mud. There were no lost circulation intervals.

18. I hereby certify that the foregoing is true and correct

SIGNED Waneta Jacobs

TITLE Ass. V.P. LAB Energy, Inc. DATE 6/18/85

(This space for Federal or State office use)

APPROVED BY \_\_\_\_\_  
CONDITIONS OF APPROVAL, IF ANY:

TITLE \_\_\_\_\_

ACCEPTED BY DATE STATE

OF UTAH DIVISION  
OIL, GAS, AND MINING

\*See Instructions on Reverse

DATE: 7/1/85

BY: John R. Day

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

SUBMIT IN DUPLICATE

(See instructions on  
reverse side)

Form approved  
Budget Bureau No. 1004-0137  
Expires August 31, 1985

WELL COMPLETION OR RECOMPLETION REPORT AND LOG \*

RECEIVED

JUN 27 1985

DIVISION OF OIL & GAS

GAS & MINING

Utah

NW SW

1a. TYPE OF WELL: OIL WELL <input type="checkbox"/> GAS WELL <input type="checkbox"/> DRY <input checked="" type="checkbox"/> Other <input type="checkbox"/>		5. LEASE DESIGNATION AND SERIAL NO. U-37742	
b. TYPE OF COMPLETION: NEW WELL <input type="checkbox"/> WORK OVER <input type="checkbox"/> DEEP-EN <input type="checkbox"/> PLUG BACK <input type="checkbox"/> DIFF. LESVR <input type="checkbox"/> Other <input type="checkbox"/>		6. IF INDIAN, ALLOTTEE OR TRIBE NAME	
2. NAME OF OPERATOR Designation of Agent = Kirby Petroleum Corporation		7. UNIT AGREEMENT NAME Sable Creek Unit	
3. ADDRESS OF OPERATOR In care of Lab Energy, Inc. 7107 So. 400 W. #10 Midvale, Utah		8. FARM OR LEASE NAME Lab Energy-Kirby Petroleum	
4. LOCATION OF WELL (Report location clearly and in accordance with any State or Federal law) At surface 1990 FSL, 507 FWL, Sec. 14 T7S, R4W, SLM, Tooele County, Utah At top prod. interval reported below At total depth		9. WELL NO. #14-12	
14. PERMIT NO. 43-045-30019		DATE ISSUED 2/14/85	
15. DATE RECORDED 5/29/85		16. DATE T.D. REACHED 6/17/85	
17. DATE COMPLETION (Return to prod.) 6-16-85		18. ELEVATIONS (OF, RKB, RT, GR, ETC.) 5070 GR, 5083 RKB	
20. TOTAL DEPTH, MD & TVD 4046' MD		21. PLUG, BACK T.D., MD & TVD	
22. IF MULTIPLE COMPLETIONS, HOW MANY		23. INTERVALS DRILLED BY 4046'	
24. PRODUCING INTERVAL(S), OF THIS COMPLETION--TOP, BOTTOM, NAME (MD AND TVD)		25. WAS DIRECTIONAL SURVEY MADE No	
26. TYPE ELECTRIC AND OTHER LOGS RUN LS-BHC-CAL-GR, DLL-MLL-GR, COL-CN-GR		27. WAS WELL CORED No	
28. CASING RECORD (Report all strings set in well)			
CASING SIZE 9 5/8	WEIGHT, LB./FT. 40	DEPTH SET (MD) 505'	ROPE SIZE 12 1/4
CEMENTING RECORD 100 sacks		AMOUNT PULLED -0-	
29. LINER RECORD			
SIZE	TOP (MD)	BOTTOM (MD)	SACKS CEMENT*
30. TUBING RECORD			
SIZE	DEPTH SET (MD)	PACKER SET (MD)	
31. PERFORATION RECORD (Interval, size and number)			
32. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.			
DEPTH INTERVAL (MD)		AMOUNT AND KIND OF MATERIAL USED	
33. PRODUCTION			
DATE FIRST PRODUCTION		PRODUCTION METHOD (Flowing, gas lift, pumping--size and type of pump)	
WELL STATUS (Producing or shut-in) D+H			
DATE OF TEST	HOURS TESTED	CHOKE SIZE	PROD'N. OR TEST PERIOD
FLOW. TUBING PRESS.	CASING PRESSURE	CALCULATED 24-HOUR RATE	OIL--BBL. GAS--MCF. WATER--BBL. OIL GRAVITY-API (CORR.)
34. DISPOSITION OF GAS (Sold, used for fuel, vented, etc.)			
35. LIST OF ATTACHMENTS			
36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records			
SIGNED <u>Walter L. Jacob</u>		TITLE <u>ASS. Vice President</u>	
DATE <u>6/21/85</u>			

\*(See Instructions and Spaces for Additional Data on Reverse Side)

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

38.

**GEOLOGIC MARKERS**

FORMATION	TOP	BOTTOM	DESCRIPTION, CONTENTS, ETC.	NAME	TOP	
					MEAS. DEPTH	TRUE VERT. DEPTH
Pennsylvanian Oquirrh Fm. L. Butterfield Peaks Formation	3530'	4046' TD	Limestone - sl porous	Pleistocene	0 - 1400'	
				Miocene	1400' - 3530'	
				Salt Lake Group		
				Pennsylvanian Oquirrh Fm. (L. Butterfield Peaks Fm.)	3530' - 4046' TD	

UNITED STATES  
DEPARTMENT OF THE INTERIOR

INSPECTION RECORD - ABANDONMENT

Date June 18, 1985  
Location (S-T-R) 14-75-4W  
Field Area unnamed  
County Sevier  
State Utah  
Inspector J. Thompson

District Salt Lake  
Operator Pirley Petroleum  
Contractor & Rig   
Lease Number U-37742  
Type of Well\* dry hole  
INC Issued

1. Plugs spotted across perforations if casing set?
2. Plugs spotted at casing stubs?
3. Open hole plugs spotted as specified?
4. Retainers, bridge plugs, or packers set as specified?
5. Cement quantities as specified?
6. Method of verifying and testing plugs as specified?
7. Pipe withdrawal rate satisfactory after spotting plug?
8. All annular spaces plugged to surface?

YES	NO	NA	ENF
<input checked="" type="checkbox"/>			S
		<input checked="" type="checkbox"/>	S
<input checked="" type="checkbox"/>			S
		<input checked="" type="checkbox"/>	S
<input checked="" type="checkbox"/>			S
		<input checked="" type="checkbox"/>	S
<input checked="" type="checkbox"/>			W
<input checked="" type="checkbox"/>			S

Plug tested: ☒ No ☐ Pressured ☐ Tagged  
If tested, which plug(s)

Cement and mechanical plug placement data (attach service company report if available):

Cement plug spotting method:

Operation(s) witnessed: yes

Additional Remarks:

\* Dry hole, depleted producer, service, water well, etc.



Operator Lab Energy Representative Frank Turner - Geologist  
 Well No. # 14-12 Located NW 1/4 SW 1/4 Sec. 14 Twp 7S Range 4W  
 Lease No. U-37742 Field W/C State Utah

Unit Name and Required Depth Sabie Creek Base of fresh water sands None

T.D. 4046 Size hole and Fill Per Sack 7 7/8" Mud Weight 9.1 and Top 50 vis #/gal. 1

Casing Size	Set At	Top of Cement	To Be Pulled	Plugging Requirements		
				From	To	Sacks Cement
<u>9 5/8</u>	<u>505</u>	<u>circulated</u>	<u>1058 @</u>	<u>w/ry marker</u>		
			<u>405</u>	<u>605</u>	<u>as required</u>	

Formation	Top	Base	Shows			
<u>Volcanic</u>						
<u>Quartz</u>	<u>3540</u>			<u>3440</u>	<u>3640</u>	<u>as required</u>
				<u>3546</u>	<u>4046</u>	<u>as required</u>

## Remarks

DST's, lost circulation zones, water zones, etc. No shows

Pick up all debris, fill all holes, fence pits as required, rehabilitate according to approved surface use plan

Approved by WT Marten Date 6-17-85 Time 4:00 P.M.

Notify 50 prior to starting plugging operation.

file

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

SUBMIT IN TRIP  
(Other instructions on  
reverse side)

Form approved.  
Budget Bureau No. 1004-0135  
Expires August 31, 1985

SUNDRY NOTICES AND REPORTS ON WELLS

(Do not use this form for proposals to drill or to deepen or plug back to a different reservoir.  
Use "APPLICATION FOR PERMIT—" for such proposals.)

1. OIL WELL <input type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input checked="" type="checkbox"/> Dry Hole		5. LEASE DESIGNATION AND SERIAL NO. U-37742
2. NAME OF OPERATOR LAB ENERGY, INC.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME
3. ADDRESS OF OPERATOR 7107 So. 400 W. #10, Midvale, Utah 84047		7. UNIT AGREEMENT NAME Sabie Creek Unit (terminated)
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.* See also space 17 below.) At surface 1990 FSL, 507 FWL, Sec. 14 T7S, R4W, SLM.		8. FARM OR LEASE NAME LAB Energy
14. PERMIT NO. 43-045-30019		9. WELL NO. #14-12
15. ELEVATIONS (Show whether DF, RT, GR, etc.) 5070 GR		10. FIELD AND POOL, OR WILDCAT Wildcat
		11. SEC., T., E., M., OR BLK. AND SURVEY OR AREA Sec. 14, T7S, R4W, SLM
		12. COUNTY OR PARISH Tooele
		13. STATE Utah

16. Check Appropriate Box To Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:

TEST WATER SHUT-OFF ☐

FRACTURE TREAT ☐

SHOOT OR ACIDIZE ☐

REPAIR WELL ☐

(Other) ☐

PULL OR ALTER CASING ☐

MULTIPLE COMPLETE ☐

ABANDON\* ☐

CHANGE PLANS ☒

SUBSEQUENT REPORT OF:

WATER SHUT-OFF ☐

FRACTURE TREATMENT ☐

SHOOTING OR ACIDIZING ☐

(Other) ☐

REPAIRING WELL ☐

ALTERING CASING ☐

ABANDONMENT\* ☒

(NOTE: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

17. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)\*

A subsequent report of abandonment and well completion report was filed under Kirby Petroleum Corporation as Designation of Agent by LAB Energy, Inc. Kirby Petroleum Corporation has failed to restore surface conditions as per agreement.

LAB Energy has now resumed operator of lease and proposes to use well site location to drill a deep (12,000 foot) test well 30 feet from the location of the dry hole.

The proposed deep test is tentatively planned to be spud by the end of 1985, or Spring of 1986.

RECEIVED  
S.L. DISTRICT OFFICE  
1985 SEP 20 AM 7:41  
DEPT. OF INTERIOR  
BUREAU OF LAND MGMT.

18. I hereby certify that the foregoing is true and correct

SIGNED Warren D. Jacobs

TITLE Vice President

DATE 9/18/85

(This space for Federal or State office use)

APPROVED BY \_\_\_\_\_  
CONDITIONS OF APPROVAL, IF ANY:

TITLE \_\_\_\_\_

DATE \_\_\_\_\_

\*See Instructions on Reverse Side



STATE OF UTAH  
NATURAL RESOURCES  
Oil, Gas & Mining

Norman H. Bangerter, Governor  
Dee C. Hansen, Executive Director  
Dianne R. Nielson, Ph.D., Division Director

355 W. North Temple • 3 Triad Center • Suite 350 • Salt Lake City, UT 84180-1203 • 801-538-5340

October 4, 1985

Lab Energy, Inc.  
7107 South 400 West #10  
Midvale, Utah 84047

Gentlemen:

Re: Well No. Sabi Creek 14-12 - Sec. 14, T. 7S., R. 4W.,  
Tooele County, Utah - API #43-045-30019

According to our records a "Well Completion Report" filed with this office June 21, 1985 on the above referenced well indicates the following electric logs were run: LS-BHC-GR-CAL, DLL-GR-MLL-CAL, COL-CN-GR. This office has not yet received these logs.

Please take care of this matter as soon as possible, but not later than October 18, 1985.

Your cooperation in this matter is appreciated.

Sincerely,

Pam Kenna  
Well Records Specialist

Enclosure  
cc: Dianne R. Nielson  
Ronald J. Firth  
John R. Baza  
File

0170S/18

**CONTRACTOR**  
**UNITED STATES**  
**DEPARTMENT OF THE INTERIOR**  
**BUREAU OF LAND MANAGEMENT**

STATE COPY  
SUBMIT IN TRIPLICATE  
(Other instructions on reverse side)

Form approved  
Budget Bureau No. 1004-0104  
Expires August 31, 1985

**APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK**

1. TYPE OF WORK

DRILL ☐

DEEPEEN ☒

PLUG BACK ☐

2. TYPE OF WELL

WELL ☐

GAS WELL ☐

OTHER Wildcat

SINGLE ZONE ☒

MULTIPLE ZONE ☐

3. WELL NAME

LAB Energy, Inc.

4. ADDRESS OF OPERATOR

7107 South, 400 West, Midvale, Utah 84047

5. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)

1990 FSL, 507 FWL

Same

6. DISTANCE TO WELLS AND DIRECTION FROM NEAREST TOWN OR CITY OFFICE

Approximately 25 Miles S W of Cedar Fort, Utah

7. LEASE DESIGNATION AND SERIAL NO.

U-37742

8. IF INDIAN, ALLIANCE OR TRIBE NAME

9. UNIT AGREEMENT NAME

10. FIRM OR LEASE NAME

LAB Energy - Salt Lake

11. WELL NO.

14-12

12. FIELD AND POOL OR WILDCAT

Wildcat

13. SEC. 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20

Sec. 14, T7S, R4W, S1N

14. COUNTY OR PARISH

Tooele

15. STATE

Utah

16. DISTANCE FROM PROPOSED LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT.

507'

17. NO. OF ACRES IN LEASE

1280

18. NO. OF ACRES ASSIGNED TO THIS WELL

Not spaced

19. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, DRILLING, COMPLETED, OR ABANDONED, ON THIS LEASE, FT.

20. PROPOSED DEPTH

5000'

21. ROTARY OR CABLE TOOLS

Rotary

22. ELEVATIONS (Show whether DP, RT, GR, etc.)

5070' GR.

23. APPROX. DATE WORK WILL START

November, 1985

**PROPOSED CASING AND CEMENTING PROGRAM**

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12 1/4"	9 5/8"	32.3 #	505'	100 sacks or 100% excess (set)
8 3/4"	5 1/2" or 7"	17# or 26#	5000'	100 sacks

Drilling program is as follows: 30 feet of 20" steel casing has been set for a conductor pipe and was cemented to surface.  
510 feet of 12 1/4 hole was drilled and 9 5/8" 32# casing was run to 505' and cemented to the surface with 100% excess class H cement. Total depth drilled - 4046'  
If hydrocarbons are discovered by deepening 8 3/4" hole to 5000', 5 1/2" 17# casing will be run to total depth and cemented with 100 sacks of class H cement.  
If hydrocarbons are not discovered, 7" 26# casing may be run to total depth and cemented with 100 sacks of class H cement.. 7" 26# casing may be run for preparation for deepening to 12,000 feet. Reserve Pit will be rebuilt, and location plan as before.  
Formation tops are as follows:  
Pleistocene - Surface.  
Tertiary, Salt Lake Group - 1400' to 3530'  
Pennsylvanian, Oquirrh Group - 3530' to 4046'  
Expected formation tops:  
Pennsylvanian, Lower Butterfield Peaks Formation.  
4600' to 5000'

24. ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

25. SIGNED Warren L. Jacobs 566-4101 TITLE Vice-President DATE 10/17/85

This space for Federal or State office use

PERMIT NO. 43-045-30019

APPROVED BY [Signature]

CONDITIONS OF APPROVAL, IF ANY:

APPROVED BY THE STATE  
OF UTAH DIVISION OF  
OIL, GAS, AND MINING  
DATE: 11/19/85  
BY: [Signature]

\*See Instructions On Reverse Side

Section 14

Twp. 7S R. 4W  
S.L.B. & M.

Well  
SITE  
507' #14-12

EL. = 5072

SCALE: 1" = 1000'

1990'

5.87° 14' 33" W.

S.W. COR.  
SEC. 14

2627.24'

S.E. COR.  
SEC. 14

SURVEYOR'S CERTIFICATE

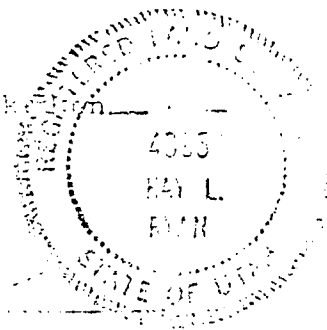
I, Kay L. Ryan of Ryan Engineering Inc., do hereby certify that I am a Registered Land Surveyor, and hold certificate No. 4385 as prescribed by the laws of the State of Utah, and have made a survey as shown on this plat of:

LAB Energy Inc. Federal #14-12, located 1990' N. 14' 33" W. and 507 ft. East from the S.W. Corner, Section 14, Township 7S, Range 4 West, Salt Lake Meridian.

Ground line Elevation: 5072 ft. (Approx.)

I further certify that the above plat shows the location of the well on the ground.

Stake



Done For

## CONDITIONS OF APPROVAL FOR NOTICE TO DRILL

Company: Lab Energy, Inc. Well No. Sabie Creek #14-12.  
Location: NWSW Sec. 14, T 7 S, R 4 W. Tooele County, Utah.  
Lease No. U-37742.  
Onsite Inspection Date: By appointment.

All lease and/or unit operations will be conducted in such a manner that full compliance is made with applicable laws, regulations (43 CFR 3100), Onshore Oil and Gas Order No. 1, and the approved plan of operations. The operator is fully responsible for the actions of his subcontractors. A copy of these conditions will be furnished the field representative to insure compliance.

A. Drilling Program Deepen well #14-12 from 4046 feet to 5000 feet.  
old APD # (43-045-30019)

1. Surface Formation and Estimated Formation Tops:

Surface: Holocene valley fill

1400'-3530' Pliocene, Miocene (Salt Lake Group)

3530'-TD. Paleozoic, Oquirrh Group.

2. Estimated Depth at Which Oil, Gas, Water, or Other Mineral Bearing Zones are Expected to be Encountered:

	<u>Formation</u>	<u>Zone</u>
Expected oil zones:		
	Oquirrh Group	4600'-TD.
Expected gas zones:	Same.	
Expected water zones:	None.	
Expected mineral zones:	None	

All fresh water and prospectively valuable minerals (as described by BLM at onsite) encountered during drilling, will be recorded by depth and adequately protected. All oil and gas shows will be tested to determine commercial potential.

3. Pressure Control Equipment:

3: Operator will maintain a minimum pressure control of 3000 psi. (See Figure 3). Blowout preventer will be operated with hydraulic and mechanical equipment. Kelly cocks will be available on the rig floor at all times. Drilling fluid weight sufficient to control well will be maintained. No over pressured zones are anticipated.

BOP systems will be consistent with API RP53. Pressure tests will be conducted before drilling out from under casing strings which have been set and cemented in place. Blowout preventer controls will be installed prior to drilling the surface casing plug and will remain in use until the well is completed or abandoned. Preventers will be inspected and operated at least daily to ensure good mechanical working order, and this inspection will be recorded on the daily drilling report. Preventers will be pressure tested before drilling casing cement plugs.

The District Office will be notified 3 days in advance in order to have a ELM representative on location during pressure testing.

4. Casing Program and Auxiliary Equipment:

4: As indicated. (See Figure 4). Casing has been cemented at 505' in depth and may be set to 5000' in depth.

Anticipated cement tops will be reported as to depth; not the expected number of sacks of cement to be used. The District Office should be notified, with sufficient lead time, in order to have a ELM representative on location while running all casing strings and cementing.

5. Mud Program and Circulating Medium:

Drilling medium will be fresh water gel mud with 2% KCL. Mud weight will be held to 9# per gallon or less unless increased weight is needed to prevent blowout. Mud system will be kept at balance to minimize lost circulation. Pit level will be monitored visually. No hydrogen sulfide is anticipated.

6. Coring, Logging and Testing Program:

6: One drill stem tests are anticipated but not specific. No cores are planned. The minimum logging program includes a Dual Induction Laterolog; a Compensated Formation Density log and Neutron log with Gamma Ray and Caliper; and a Long Spaced Sonic Log.

Whether the well is completed as a dry hole or as a producer, "Well Completing and Recompletion Report and Log" (form 3160-4) will be submitted not later than 30 days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3164. Two copies of all logs, core descriptions, core analyses, surveys or data obtained and compiled during the drilling, workover, (cuttings, fluids, and/or gases) will be submitted when requested by the authorized officer (AO).

7. Abnormal Conditions, Bottom Hole Pressures and Potential Hazards:

7: It is expected that the reservoir drive pressure will be approximately equal to the hydrostatic pressure, or not more than 3000 psi. No hydrogen sulfide is expected. For contingency, a portable detector will be kept on site. If hydrogen sulfide is detected, the blowout preventers will be closed and the location evacuated until protective equipment can be provided.

No other mitigating circumstances were encountered in the #17-10 well drilled by Lab Energy to a depth of 7130 feet in 1985.

8. Anticipated Starting Dates and Notifications of Operations:

Location construction: January 20, 1985.

NOV 10, 1985

Spud date: November, 15 1985. 732

5000' 10 day duration

No location will be constructed or moved, no well will be plugged, and no drilling or workover equipment will be removed from a well to be placed in a suspended status without prior approval of the AO be obtained and notification given before resumption of operations.

The spud date will be reported orally to the AO within 48 hours after spudding. If the spudding occurs on a weekend or holiday, the report will be submitted on the following regular work day. The oral report will be followed up with a Sundry Notice.

In accordance with Onshore Oil and Gas Order No. 1, this well will be reported on Form 3160-6 "Monthly Report of Operations", starting with the month in which operations commence and continue each month until the well is physically plugged and abandoned. This report will be filed with the BLM, Salt Lake District Office, 2370 South 2300 West, SLC, Utah 84119.

Immediate Report: Spills, blowouts, fires, leaks, accidents, or any other unusual occurrences shall be promptly reported in accordance with the requirements of NTL-3A or its revision.

If a replacement rig is contemplated for completion operations, a "Sundry Notice" (Form 3160-5) to that effect will be filed, for prior approval of the AO, and all conditions of this approved plan are applicable during all operations conducted with the replacement rig.

Should the well be successfully completed for production, the AO will be notified when the well is placed in a producing status. Such notification will be sent by telegram or other written communication, not later than 5 days following the date on which the well is placed on production.

Pursuant to NTL-2B, with the approval of the District Manager, produced water may be temporarily disposed of into unlined pits for a period of up to 90 days. During the period so authorized, an application for approval of the permanent disposal method, along with the required water analysis and other information, must be submitted to the District Manager.

Pursuant to NTL-4A, lessees or operators are authorized to vent/flare gas during initial well evaluation tests, not exceeding a period of 30 days or the production of 50 MMCF of gas, whichever occurs first. An application must be filed with the District Manager and approval received, for any venting/flaring of gas beyond the initial 30 day or authorized test period.

A schematic facilities diagram as required by 43 CFR 3162.7-2, 3162.7-3, and 3162.7-4 shall be submitted to the



appropriate District Office within 30 days of installation or first production, whichever occurs first. All site security regulations as specified in 43 CFR 3162.7 shall be adhered to. All product lines entering and leaving hydrocarbon storage tanks will be effectively sealed in accordance with 43 CFR 3162.7-4.

A first production conference will be scheduled within 15 days after receipt of the first production notice.

No well abandonment operations will be commenced without the prior approval of the AO. In the case of newly drilled dry holes or failures, and in emergency situations, oral approval will be obtained from the AO. A "Subsequent Report of Abandonment" (Form 3160-5) will be filed with the AO within 30 days following completion of the well for abandonment. This report will indicate where plugs were placed and that the current status of surface reclamation work required by the approved AFD or approved abandonment notice has been completed to the satisfaction of the AO or his representative, or the appropriate Surface Managing Agency.

Pursuant to Onshore Oil and Gas Order No. 1, lessees and operators have the responsibility to see that their exploration, development, production, and construction operations are conducted in a manner which conforms with applicable Federal laws and regulations to the extent that such State and local laws are applicable to operations on Federal or Indian lands.

Upon completion of approved plugging, a regulation marker will be erected in accordance with 43 CFR 3162.6. The marker will be constructed as follows:

The top of the marker will be closed or capped.

The following minimum information will be permanently placed on the marker with a plate, cap or beaded-on with a welding torch.

"Fed" or "Ind", as applicable. "Well number, location by 1/4 1/4 section, township and range". "Lease number".

Other:

## B THIRTEEN-POINT SURFACE USE PLAN

### 1. Existing Roads:

a. Location of proposed well in relation to town or other reference point: Well is located approximately 22 miles SW of Cedar Fort Utah.

#### b. Proposed route to location:

1: All existing roads are shown on Figure 1 and 1A. Access to the locality is from State Highway #73 to the Faust Road, then west about 8 miles to a junction with an un-numbered county road

173  
1/14  
which turns off to the south. A ~~1/2~~ mile section of new road must be constructed west off this county road beginning about 1/2 mile south of the Faust road.

c. Plans for improvement and/or maintenance of existing roads:

2: Roads requiring improvement are indicated (Figure 1). The maximum disturbed width will be 30' or less. Maximum grade will be 5% or less. No turnouts are required. The center line is indicated on Figure 1. All roads to be improved will be done according to the Class III requirements as defined by the Bureau of Land Management, including rehabilitation. No drainages will be impaired so no culverts will be required.

d. Location and description of roads in the area: See Figure 1.

e. Other: None

2. Planned Access Roads:

a. The maximum total disturbed width will be kept to 30 feet. No new construction is planned except as in (d) above.

b. Maximum grades: Grades can be kept to 7% or less.

c. Turnouts: No turnouts will be required.

d. Location (centerline): (See Figure 1).

e. Drainage: Roads will be ditched and drained as required by BLM regulations. A 12-14 inch culvert will be placed where access road turns off Faust road. (See Figure 1). No major drainages will be disturbed.

f. Surface Materials: Road and location ~~will be~~ *has been* gravelled with material from pit located in Sec. 17, T 7 S, R 4 W. (See Figure 1).

g. Other:

Surface disturbance and vehicular travel will be limited to the approved location and access road. Any additional area needed will be approved by the District Manager in advance.

3. Location of Existing Wells: There are no existing wells within one mile of this site.

4. Location of Tank Batteries and Production Facilities:

A detailed location plan for drilling purposes is attached. (Figure 2). Until production is established, it is requested that the plat showing facilities should be deferred, since at present, equipment needed is unknown. The location terrain is essentially flat. Topsoil will be stockpiled on the NW corner of the pad. The pad will be sloped slightly toward the north to

permit drainage. The short access road and pad will be graveled with gravel from nearby existing pits if needed. Access to the pad will be had along an existing improved county road to the south off the Faust road. The access road will be ditched and crowned in addition to gravelling. (See Figure 1).

All permanent (on site for six months or longer) structures constructed or installed (including oil well pumpjacks) will be painted a flat, non-reflective, earthtone color to match the standard environmental colors, as determined by the Rocky Mountain 5 State Interagency Committee. All facilities will be painted within 6 months of installation. Facilities required to comply with O.S.H.A. (Occupational Safety and Health Act) will be excluded.

If a tank battery is constructed on this lease, it will be surrounded by a dike of sufficient capacity to contain 1 1/2 times the storage capacity of the battery.

Tank batteries will be placed on the: Deferred.

All loading lines will be placed inside the berm surrounding the tank battery.

All site security guidelines identified in 43 CFR 3162.7 regulations will be adhered to.

All off-lease storage, off-lease measurement, or commingling on-lease or off-lease will have prior written approval from the AO.

Gas meter runs for each well will be located within 500 feet of the wellhead. The gas flowline will be buried from the wellhead to the meter and 500 feet downstream of the meter run or any production facilities. Meter runs will be housed and/or fenced.

The oil and gas measurement facilities will be installed on the well location. The oil and gas meters will be calibrated in place prior to any deliveries. Tests for meter accuracy will be conducted at least quarterly thereafter. The AO will be provided with a date and time for the initial meter calibration, and reports will be submitted to the Salt Lake District Office. All meter measurement facilities will conform with the API standards for liquid hydrocarbons and the AGA standard for natural gas measurement.

5. Location and Type of Water Supply:

All water needed for drilling purposes will be obtained from: the Ault Ranch near Vernon, Utah, Approximately 12 miles to east of location.

6. Source of Construction Material:

Road surfacing and pad construction material was obtained

from: Gravel pit located in C 17, T 7 S, R 4 W. (See Figure 1).

The use of materials under BLM jurisdiction will conform to 43 CFR 3610.2-3.

Construction material will not be located on lease.

7. Methods of Handling Waste Disposal:

The reserve pit will not be lined:

Location of reserve pit will be as before. (APD # 43-045-30019)

Three sides of the reserve pit will be fenced with sheep proof field wire fence before drilling starts. The fourth side will be fenced as soon as the drilling is completed. The fence will be kept in good repair while the pit is drying.

All trash must be contained <sup>in a washhouse</sup> and disposed of by: ~~Burning in a pit constructed for the purpose.~~ <sup>in an established sanitary landfill.</sup>

~~If burning is required, a permit will be obtained from the State Fire Warden, Tooele, Utah.~~

Produced waste water will be confined to a (line/unlined) pit for a period not to exceed ninety (90) days after initial production. During the ninety (90) day period, an application for approval of a permanent disposal method and location, along with the required water analysis, will be submitted for the District Manager's approval pursuant to Onshore Oil and Gas Order No.3 (NTL-2B). Failure to file an application within the time allowed will be considered an incident of noncompliance, and will be grounds for issuing a shut-in order.

8. Ancillary Facilities:

8: The only ancillary facilities required will be two trailers, one for the toolpusher and one for company personnel. In addition, the mud logging contractor will have a trailer and there may be one trailer for mud storage. (See Figure 2). A chemical toilet will be provided.

Camp facilities will not be required.

9. Well Site Layout: See Figure 2. As before (43-045-30019)

The reserve pit will be located: On the North side of the pad

The top 4 inches of soil material will be removed from the location and stockpiled separately on: The northwest corner of the pad, away from traffic.

Topsoil along the access road will be reserved in place adjacent to the road.

Access to the well pad will be from: The east end, off existing road. (See Figure 1).

~~The trash pit will be located: See Figure 2.~~ *17M*

10. Plans for Restoration of Surface:

10: Upon completion of operations, the pits will be filled and the topsoil replaced over the location. Reseeding will be as directed by the appropriate range management agency. No significant drainages will be affected. The operator or his agent will notify the District BLM office 48 hours before starting reclamation work.

Immediately upon completion of drilling, the location and surrounding area will be cleared of all debris, materials, trash and junk not required for production.

Before any dirt work to restore the location takes place, the reserve pit must be completely dry and all cans, barrels, pipe, etc. will be removed.

The operator or his contractor *25 six* (will/will not) notify the Salt Lake District Office forty-eight (48) hours before starting reclamation work that involves earthmoving equipment and upon completion of restoration measures.

All disturbed areas will be recontoured to the approximate natural contours.

The stockpiled topsoil will be evenly distributed over the disturbed areas.

Prior to reseeding, all disturbed areas, including the access roads, will be scarified and left with a rough surface.

Seed will broadcast or drilled at a time specified by the BLM. If broadcast, a harrow or some other implement will be dragged over the seeded area to assure seed coverage.

The following seed mixture will be used:

The reserve pit and that portion of the location and access road not needed for production or production facilities will be reclaimed.

Additional Requirements: *See attached conditions*

11. Surface and Mineral Ownership: All surface is federally owned.

12. Other Information: A Blanket Archeological study has been done by the University of Utah Department of Archeology.

(see report in Sage Creek Unit #14-12, APD # 43-045-30019)

There will be no deviation from the proposed drilling and/or workover program without prior approval from the AO. Safe drilling and operating practices must be observed. All wells, whether drilling, producing, suspended, or abandoned will be identified in accordance with 43 CFR 3162.2.

"Sundry Notice and Report on Wells" (Form 3160-5) and will be filed for approval for all changes of plans and other operations in accordance with 43 CFR 3164.

The dirt contractor will be provided with an approved copy of the surface use plan.

A cultural resource clearance (will/will not) be required before any construction begins. If any cultural resources are found during construction, all work will stop and the AO will be notified.

This permit will be valid for a period of one year from the date of approval. After permit termination, a new application will be filed for approval for any future operations.

13. Lessee's or Operators Representative and Certification:  
Attached.

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill site and access route; that I am familiar with the conditions which currently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and that the work associated with operations proposed herein will be performed by Lab Energy and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved. This statement is subject to the provisions of 18 U.S.C. 1001 for the filing of a false statement.

DATE: October 18, 1985

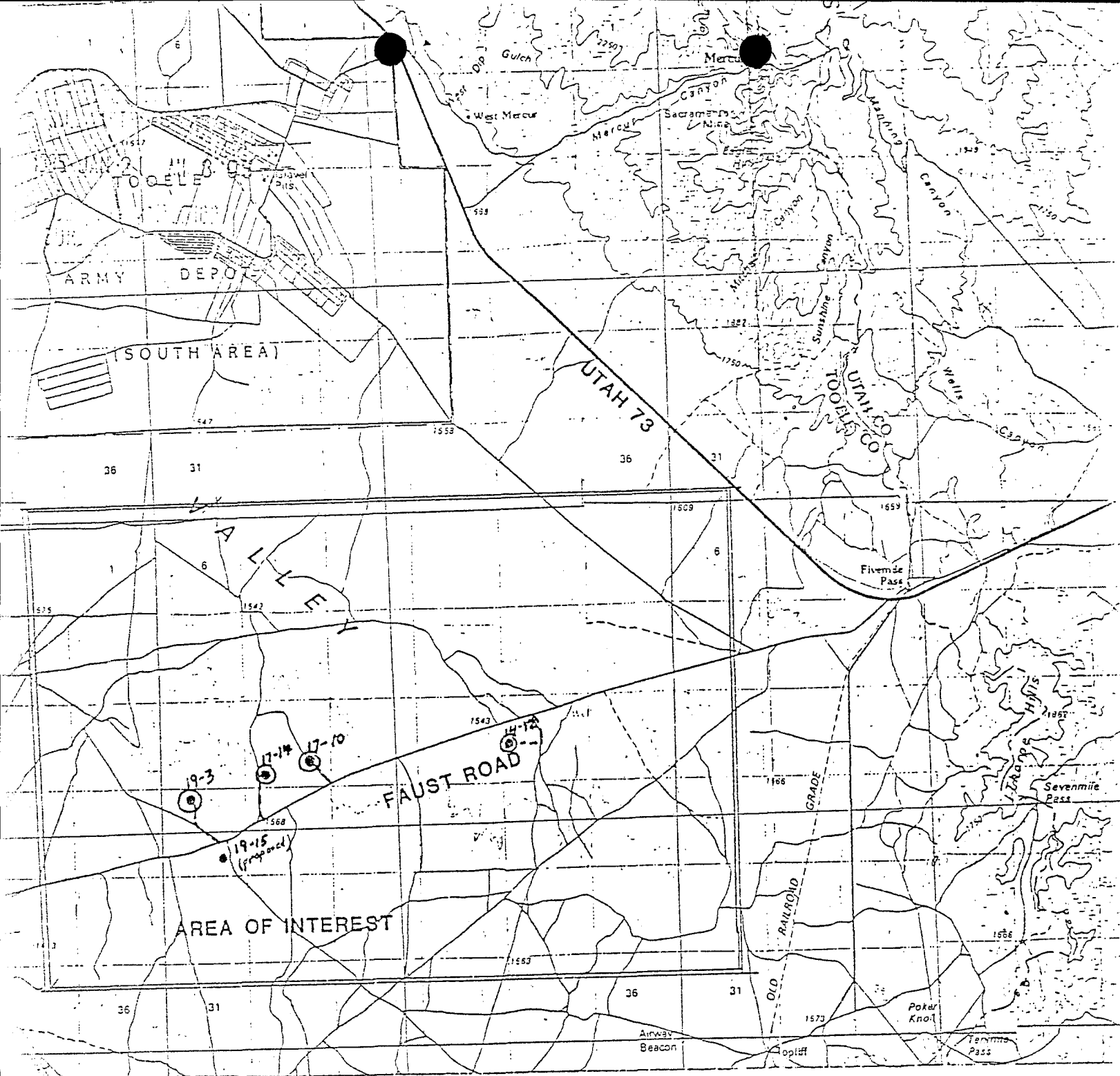
NAME AND TITLE Warren L. Jacobs  
Warren L. Jacobs - Vice President

Warren L. Jacobs      Telephone (801) 566-4101  
LAB Energy, Inc.  
7107 So. 400 W. #10  
Midvale, Utah 84047

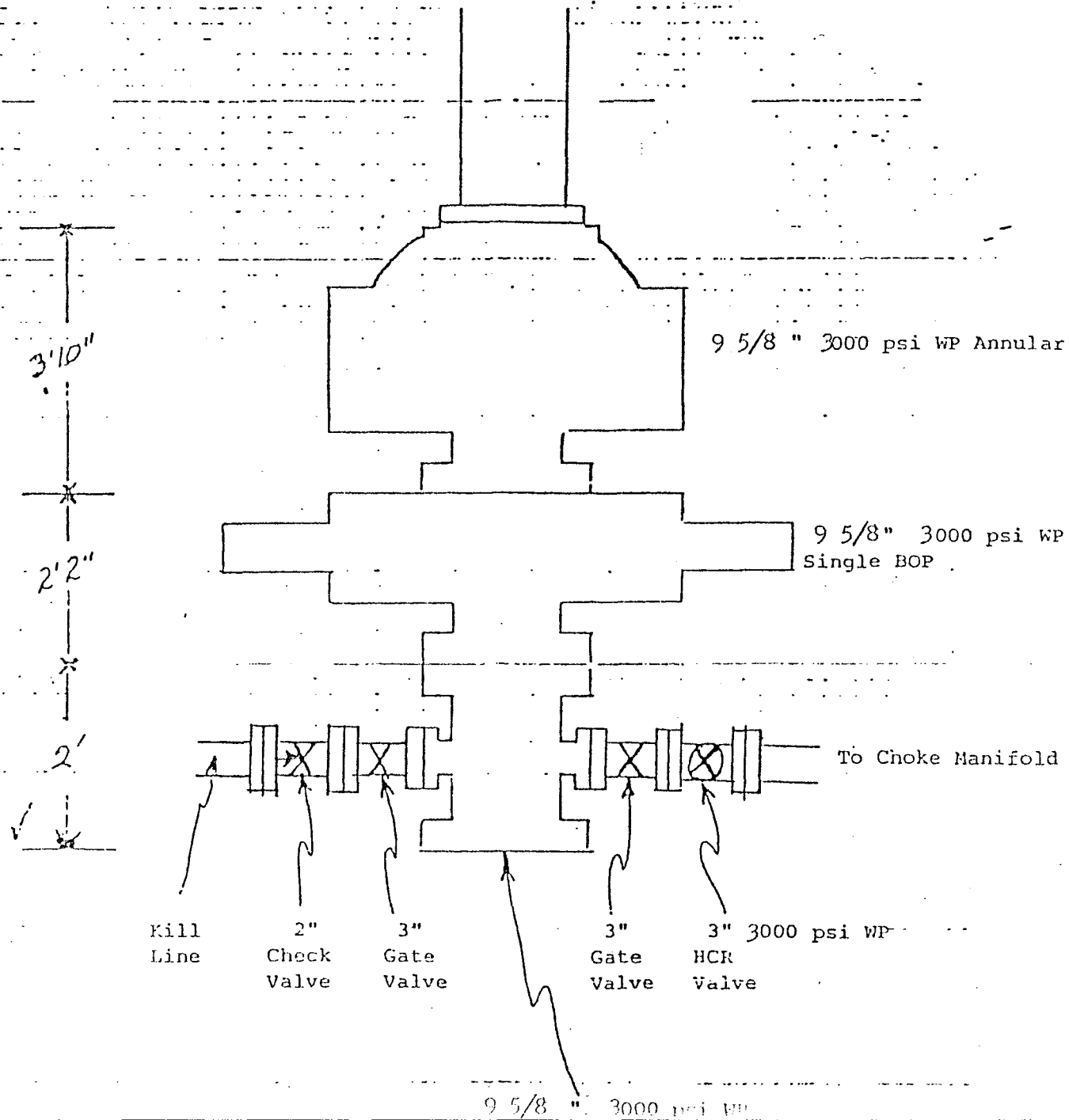
Supplemental Stipulations of Approval Attached

1. A full opening safety (stabbing) valve in the full open position, to fit the drill pipe in use, shall be available on the rig floor to place in the drill pipe if needed when the Kelly is not in the drill string.
2. Kelly cocks will be in drill string at all times.
3. During all phases of operation firearms will be prohibited.





X Drilling, Inc.



SCHEMATIC DIAGRAM

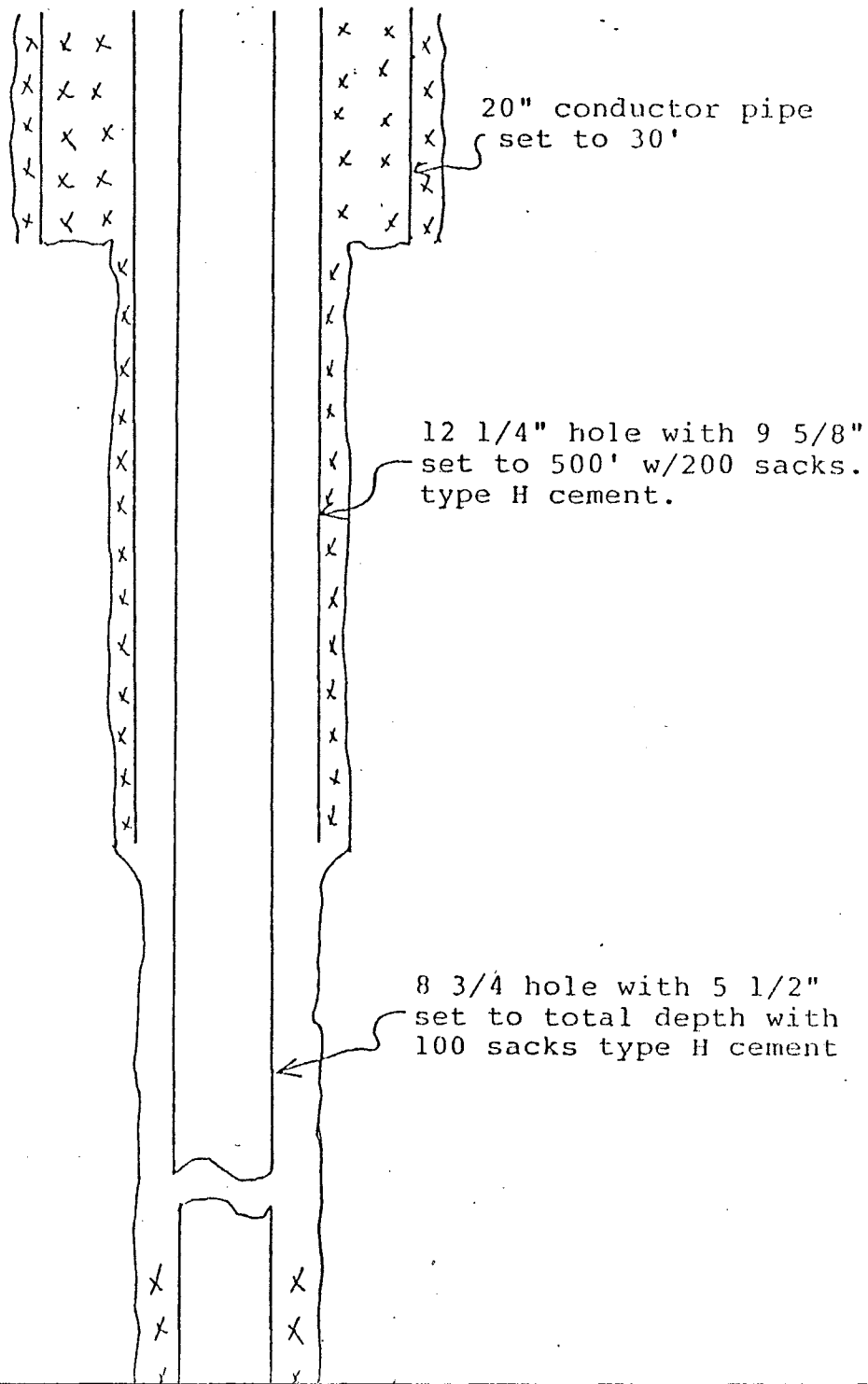
CASING DETAIL FOR

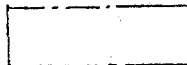
SHALLOW WELL SINGLE

STRING COMPLETION

RUSH VALLEY, TOOELE

COUNTY, UTAH





TRAILERS  
PARKING

FUEL STORAGE



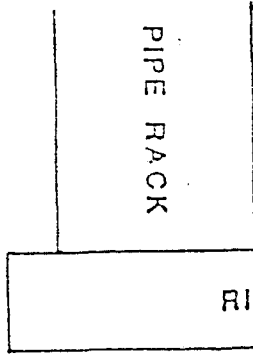
LIGHT PLANT



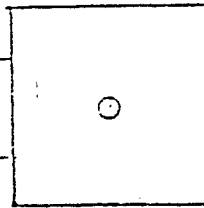
400'X400'

X Drilling, Inc.

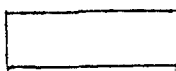
PIPE RACK



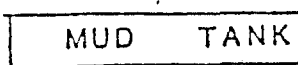
RIG



TRAILER



MUD TANK

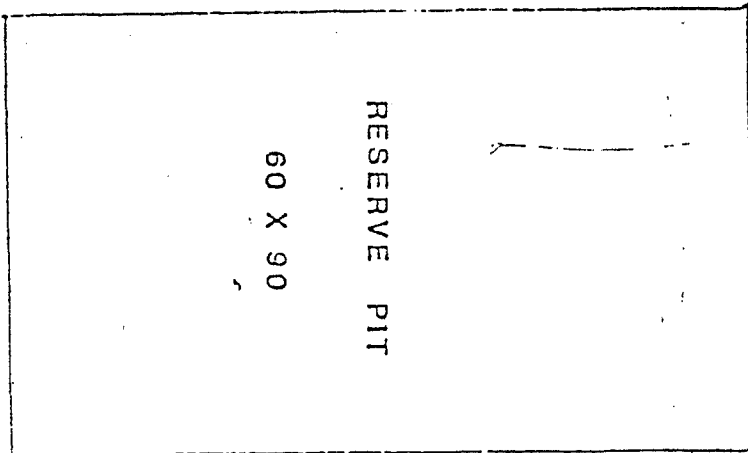


WATER STORAGE  
MUD STORAGE



RESERVE PIT

60 X 90



OVERBURDEN



TOP SOIL



TOILET



BURN PIT



SUPPLEMENTAL STIPULATIONS OF APPROVAL FOR NOTICE TO DRILL

Company Lab Energy, Incorporated Well No. 14-12  
Location Section 14, T.7S., R.4W. Lease No. U-37742  
Onsite Inspection Date October 28, 1985

All lease and/or unit operations will be conducted in such a manner that full compliance is made with applicable laws, regulations (43 CFR 3100), Onshore Oil and Gas Order No. 1, and the approved plan of operations. The operator is fully responsible for the actions of his subcontractors. A copy of these conditions will be furnished to the field representative to insure compliance.

These conditions are additions to the information in the APD and follow that numbering system.

A. Drilling Program

1. No change.
  2. All fresh water and prospectively valuable minerals (as described by BLM at onsite) encountered during drilling will be recorded by depth and adequately protected. All oil and gas show will be tested to determine commercial potential.
  3. BOP systems will be equipped with both blind rams and pipe rams to fit the drill pipe in use. Pressure tests will be conducted before drilling out from under casing strings which have been set and cemented in place. Blowout preventer controls will be installed prior to drilling the surface casing plug and will remain in use until the well is completed or abandoned. Preventers will be inspected and operated at least daily to ensure good mechanical working order, and this inspection will be recorded on the daily drilling report. Preventers will be pressure tested before drilling casing cement plugs.
- The District Office will be notified 2 days in advance in order to have a BLM representative on location during pressure testing.
4. Anticipated cement tops will be reported as to depth - not the expected number of sacks of cement to be used. The District Office should be notified, with sufficient lead time, in order to have a BLM representative on location while running all casing strings and cementing.
  5. No chromate additives will be used in the mud system on Federal lands without prior BLM approval to ensure adequate protection of fresh water aquifers.

6. No change.

7. No change.

8. Anticipated starting dates and notifications of operations:

Location construction: November 10, 1985

Spud date: November 15, 1985

The spud date will be reported orally to the AO within 48 hours after spudding. If the spudding occurs on a weekend or holiday, the report will be submitted on the following regular work day. The oral report will be followed up with a Sundry Notice.

### Thirteen Point Surface Use Plan

1. Existing Roads. No change.
2. Access Roads to be Constructed or Reconstructed. The access road will be upgraded to the minimum necessary to accommodate the heavy equipment and weather conditions. Any gravel needed for the roads will be obtained from an established pit.
3. No change.
4. The proposed production facility locations have not been approved. In the event of a discovery and a producing well, a separate surface use and operating plan covering any additional facilities will be required and is subject to approval. Another Environmental Assessment will be prepared to evaluate such a proposal.
5. No change.
6. No change.
7. All drilling fluids, muds, and cuttings must be contained on the project site in the reserve pit or in portable containers. All appropriate measures must be taken to assure that leakage through the reserve pit bottom and walls does not occur and that fluids are not allowed to overflow. The reserve pit must not be used for disposal of garbage, trash or other refuse.

Sanitary facilities are required on site at all times during operations. The installation of facilities other than self-contained chemical toilets is subject to State and BLM approval.

All trash, garbage and other refuse must be properly contained on the site during operations and periodically disposed of at an approved refuse facility. Following completion of operations, all unnecessary equipment, materials and refuse must be removed from the site.

8. No change.
9. No change.
10. Topsoil will be selectively removed and stockpiled during the project road and pad construction. Topsoil will be stockpiled separately from other material and protected so it will not become contaminated. After subsoil and rock material have been replaced to the approximate original ground contour during reclamation, the topsoil will be placed over all disturbed areas. The disturbed area must be seeded with the specified seed mix after topsoil is replaced.

The reserve pit must be allowed to dry before it is backfilled and reclaimed. It must be enclosed by a 5-strand barbed wire fence while left to dry.

All disturbed areas should be seeded as soon as practical to establish vegetation for soil protection. Reclamation seeding of the pad area will be done when approved by the BLM. Seeding may be done by either drilling or broadcast method. If the drilling method is used, seed will be drilled to depth not less than 1/16 inch and not more than 1/2 inch. The seed mix is shown in the following table.

Seed Mix for Pad, Project and Access Roads

<u>Species</u>	<u>Common Name</u>	<u>Lbs/Acre</u>	<u>Lowest Acceptable Purity</u>
<u>Eurotia lanata</u>	Winterfat	1	98%
<u>Agropyron smithii</u>	Western wheatgrass	2	98%
<u>Agropyron cristatum</u>	Crested wheatgrass	3	98%
<u>Oryzopsis hymenoides</u>	Indian ricegrass	1	98%
<u>Kochia prostrata</u>	Summer cypress	1/2	98%
<u>Sporobolus cryptandrus</u>	Sand dropseed	1	98%

For this seed mixture, drilling application rate is 8.5 pounds per acre. If broadcast seeding is used, the recommended pounds per acre should be increased by 50%.

After reclamation seeding, a 5-strand barbed wire letdown fence will be constructed around the site to exclude livestock. The fence will be maintained by Lab Energy until vegetation is adequately reestablished on the site.

Reclamation of the abandoned access roads will include obliteration, scarification, waterbaring, and seeding. Adequate barricades will be installed at the ends of the abandoned roads to prohibit motor vehicle travel.

11. No change.

12. Other Information - Additional Requirements:

- Fire suppression equipment must be available to all personnel on the project site. Equipment must include a minimum of one hand tool per crew member consisting of shovels, pulaskis, and one properly rated fire extinguisher per vehicle and/or internal combustion engine.
- All gasoline and diesel equipment must be equipped with effective spark arresters and mufflers. In addition, all electrical equipment must be properly insulated to prevent sparks.
- The operator will be held responsible for damage and suppression costs for fires started as a result of their operations. Fires must be reported to the BLM as soon as possible.



- All accidents or mishaps resulting in significant resource damage and/or death or serious personal injury must be reported to the Forest Service as soon as possible.
- Vehicle operators will observe posted or established speed restrictions.
- Section corners or other survey markers, including claim corners, in the project area must be located and flagged for preservation prior to commencement of surface disturbing activities. The removal, displacement or disturbance of markers must be approved in advance by a BLM licensed land surveyor. Replacement of markers disturbed by these activities will also be approved by a licensed land surveyor approved by the BLM.
- Harassment of wildlife and livestock is prohibited.
- All surface disturbing activities must be supervised by a qualified, responsible official or representative of the designated operator who is aware of the terms and conditions of the APD and the specifications in the approved plans.
- The project engineer and surveyors must be certified by the State of Utah.
- Move-in and move-out requires advance approval of the BLM. Move-in and move-out of the drill rig shall not be done on holidays or weekends without advance approval of the BLM.

There will be no deviation from the proposed drilling and/or workover program without prior approval from the AO. Safe drilling and operating practices must be observed. All wells, whether drilling, producing, suspended, or abandoned will be identified in accordance with 43 CFR 3162.2.

"Sundry Notice and Report on Wells" (Form 3160-5) will be filed for approval from all changes of plans and other operations in accordance with 43 CFR 3164.

13. Lessee's or Operator's Representative and Certification. Lab Energy must designate someone on the project with authority to make changes, to be available at all times during construction. (This person will be the BLM contact during construction.)

14. This permit will be valid for a period of 1 year from the date of approval. After permit termination, a new application will be filed for approval for any future operations.

Onsite inspection held on October 28, 1985 - attendees were:

Warren Jacobs	Lab Energy
Arlon Jacobs	Lab Energy
Mary Beth Martin	BLM
George Campbell	BLM
Leonard Wehking	BLM

Your contact with the BLM District Office is: Mary Beth Martin

Office phone: 524-5348

Home phone: 943-6991

City and State: Salt Lake City, Utah

District Manager: Frank W. Snell

Address: 2370 South 2300 West, Salt Lake City, Utah 84119

Office Phone: 524-5348 Home phone: (801) 278-1528



IN REPLY  
REFER TO:

# United States Department of the Interior

BUREAU OF LAND MANAGEMENT

SALT LAKE DISTRICT OFFICE  
2370 SOUTH 2300 WEST  
SALT LAKE CITY, UTAH 84119

RECEIVED

NOV 21 1985

DIVISION OF OIL  
GAS & MINING

3160  
86-APD-1  
86-APD-2  
(U-202)

NOV 18 1985

Arlene Sollis  
State of Utah  
Department of Natural Resources  
Division of Oil, Gas and Mining  
3 Triad Center, Suite 350  
Salt Lake City, Utah 84114

Dear Ms. Sollis:

Please find enclosed two approved applications for permit to drill in Rush Valley, Tooele County, Utah. The operator is Lab Energy, Inc. If you have any questions concerning this drilling activity, feel free to contact me at 524-5348.

Sincerely,

Mary Beth Martin  
Pony Express Resource Area Geologist

Enclosures (2)  
Applications for Permit to Drill

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

5. LEASE DESIGNATION AND SERIAL NO.  
U-37742

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME  
LAB Energy- Sabie Creek

9. WELL NO.  
14-12

10. FIELD AND POOL, OR WILDCAT  
Wildcat

11. SEC., T., R., M., OR BLK.  
AND SURVEY OR AREA  
Sec. 14, T7S, R4W, SLM

12. COUNTY OR PARISH  
Tooele

13. STATE  
Utah

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1. TYPE OF WORK  
DRILL ☐ DEEPEN ☒ PLUG BACK ☐

2. TYPE OF WELL  
OIL WELL ☐ GAS WELL ☐ OTHER Wildcat ☐ SINGLE ZONE ☒ MULTIPLE ZONE ☐

3. NAME OF OPERATOR  
LAB Energy, Inc.

4. ADDRESS OF OPERATOR  
#10  
7107 South, 400 West, Midvale, Utah 84047

5. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)  
At surface  
1990 FSL, 507 FWL  
At proposed prod. zone  
Same

6. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE\*  
Approximately 25 Miles S W of Cedar Fort, Utah

7. DISTANCE FROM PROPOSED\*  
LOCATION TO NEAREST  
PROPERTY OR LEASE LINE, FT.  
(Also to nearest drlg. unit line, if any)  
507'

8. DISTANCE FROM PROPOSED LOCATION\*  
TO NEAREST WELL, DRILLING, COMPLETED,  
OR APPLIED FOR, ON THIS LEASE, FT.

9. ELEVATIONS (Show whether DF, RT, GR, etc.)  
5070' GR.

10. PROPOSED CASING AND CEMENTING PROGRAM

11. NO. OF ACRES IN LEASE  
1280

12. NO. OF ACRES ASSIGNED  
TO THIS WELL  
Not spaced

13. PROPOSED DEPTH  
5000'

14. ROTARY OR CABLE TOOLS  
Rotary

15. APPROX. DATE WORK WILL START\*  
November, 1985

16. SIGNATURE  
Warren L. Jacobs

17. TITLE  
Vice-President

18. DATE  
10/17/85

19. PERMIT NO.

20. APPROVAL DATE

21. APPROVED BY  
Jack Peterson

22. TITLE  
District Manager

23. DATE  
11/6/85

24. CONDITIONS OF APPROVAL, IF ANY:

25. COORDINATES OF APPROVAL ATTACHED

26. ACTION OF APPROVAL

\*See Instructions On Reverse Side



120141

*State of Utah* *Dreg*

IN REPLY REFER TO:

## United States Department of the Interior

BUREAU OF LAND MANAGEMENT  
SALT LAKE DISTRICT OFFICE2370 South 2300 West  
Salt Lake City, Utah 841193160  
83-APD-3 (U-56554)  
85-APD-1 (U-22640)  
85-APD-12 (U-52938)  
86-APD-1 (U-37742)  
86-APD-2 (U-37742)Mr. Warren Jacobs  
Lab Energy Inc.,  
7107 South 400 West  
Suite 10  
Midvale, Utah 8404718 NOV 1986  
NOV 21 1986DIVISION OF  
OIL, GAS & MINING

43.045-3009

Dear Mr. Jacobs,

Your two applications to drill oil and gas wells 17-14 and ~~14-12~~ expired on November 6, 1986. The two approved sundry notices for temporary abandonment of wells 17-10 and 19-3 will expire on November 18, 1986. Your application to drill well 20-4 expired on February 15, 1986.

Oil and gas well 17-10 needs to be plugged and abandoned and the site recontoured, scarified, and reseeded. Please submit your proposed plugging program for our review. Oil and gas well 19-3's site needs to be scarified and reseeded. Site 14-12 needs to have the conductor pipe cut at the surface and a well marker cemented in place. The site must be recontoured, scarified, and reseeded. The reclamation of the access roads will be discussed on a case by case basis to determine the degree of reclamation required.

According to the conditions of approval for the temporary abandonment of wells 19-3 and 17-10, Lab Energy is required to "commence total restoration and reseeded" of these sites. Site 14-12 must be reclaimed as outlined in the approved Application for Permit to Drill (APD) and the supplemental stipulations of approval which were approved November 6, 1985. Reclamation of these sites must be initiated within 30 days of receipt of this notice. Please submit your proposed reclamation schedule.

According to our records, no surface disturbance has occurred at sites 20-4 and 17-14. This office requires a letter confirming that no surface disturbance has occurred on these drill sites.

We will be available to meet with you and your contractor onsite to ensure reclamation is completed to our standards. Feel free to contact me at (801) 524-5348 if you have any questions.

Sincerely,  
HOWARD HEDRICKHoward Hedrick  
Pony Express Area Managercc: U-922, Branch of Fluid Minerals  
U-942, Branch of Land and Mineral Operations  
Division of Oil, Gas, and Mining,  
State of Utah



STATE OF UTAH  
NATURAL RESOURCES  
Oil, Gas & Mining

Norman H. Bangerter, Governor  
Dee C. Hansen, Executive Director  
Dianne R. Nielson, Ph.D., Division Director

355 W. North Temple • 3 Triad Center • Suite 350 • Salt Lake City, UT 84180-1203 • 801-538-5340

December 10, 1986

Lab Energy, Inc.  
7107 South, 400 West  
Midvale, Utah 84047

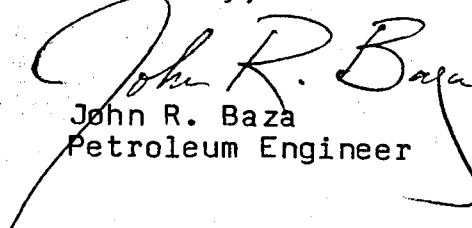
Gentlemen:

RE: Well No. Sabie-Creek Unit #14-12, Sec.14, T.7S, R.4W,  
Tooele County, Utah, API NO. 43-045-30019

In concert with action taken by the U.S. Bureau of Land Management, approval to reenter and deepen the above referenced well is hereby rescinded. A new Application for Permit to Drill must be filed with this office for approval, prior to future drilling at the subject location.

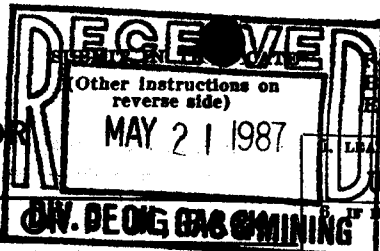
Please note that the location reclamation requirements of the B.L.M. are recognized by this Division and rescission of approval to reenter the well does not relieve your company of such responsibility.

Sincerely,

  
John R. Baza  
Petroleum Engineer

sb  
cc: BLM-Salt Lake  
D. R. Nielson  
R. J. Firth  
Well file  
0327T-27

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT



Form approved.  
Budget Bureau No. 1004-0136  
Expires August 31, 1985

APPLICATION FOR PERMIT TO DRILL, DEEPEN

ON OIL, GAS, AND MINING

1a. TYPE OF WORK

DRILL ☐

DEEPEN ☒

PLUG BACK ☐

b. TYPE OF WELL

OIL WELL ☒

GAS WELL ☐

OTHER

Wildcat

SINGLE ZONE ☐

MULTIPLE ZONE ☐

2. NAME OF OPERATOR

LAB Energy, Inc.

566-4101

3. ADDRESS OF OPERATOR

7107 South, 400 West #10, Midvale, Utah 84047

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)\*

At surface

1990 FSL, 507 FWL

At proposed prod. zone

Same

NW/SW

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE\*

Approximately 25 Miles S W of Cedar Fort, Utah

19. DISTANCE FROM PROPOSED\*

LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drig. unit line, if any)

507' FWL  
4763' FEL

18. DISTANCE FROM PROPOSED LOCATION\*

TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.

16. NO. OF ACRES IN LEASE

1280

19. PROPOSED DEPTH

5500'

17. NO. OF ACRES ASSIGNED TO THIS WELL

Not spaced

20. ROTARY OR CABLE TOOLS

Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)

5070' GR

22. APPROX. DATE WORK WILL START\*

May 1, 1987  
June 5,

23.

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12 1/4"	9 5/8"	32.3#	505'	100 sacks or 100% excess (set)
8 3/4"	5 1/2" or 7"	17# or 26#	5500'	100 sacks min. 200ft above upper most pay zone.
7 7/8" or		15#		

DRILLING PROGRAM IS AS FOLLOWS: 30 feet of 20" steel casing has been set for a conductor pipe and was cemented to surface.

510 feet of 12 1/4" hole was drilled and 9 5/8" casing was run to 505' and cemented to the surface with 100% excess class H cement. Total depth drilled was 4046'.

If hydrocarbons are discovered by deepening 8 3/4" hole to 5500', 5 1/2" casing will be run to total depth and cemented for completion. 7" 26# casing may be run to total depth and cemented for preparation for deepening to 10,000'. Location plan as before. min. 200ft above upper most pay zone.

FORMATION TOPS ARE AS FOLLOWS:

Pleistocene - Surface.

Tertiary (Salt Lake Group) - 1400' to 3530'

Pennsylvanian (Oquirrh Group)? - 3530' to 4046'

NOTE: may still be in Salt Lake Group at TD.

EXPECTED FORMATION TOPS:

Pennsylvanian (Butterfield Peaks Fm.)  
4600' to 5500'

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24.

SIGNED

Walter J. Gaud

TITLE

Vice President

DATE

3-30-87

(This space for Federal or State office use)

PERMIT NO.

43-045-30019

APPROVAL DATE

APPROVED BY

CONDITIONS OF APPROVAL, IF ANY:

TITLE

APPROVED BY THE STATE  
OF UTAH DIVISION OF  
OIL, GAS, AND MINING

DATE: 5-26-87

BY: John R. Boy

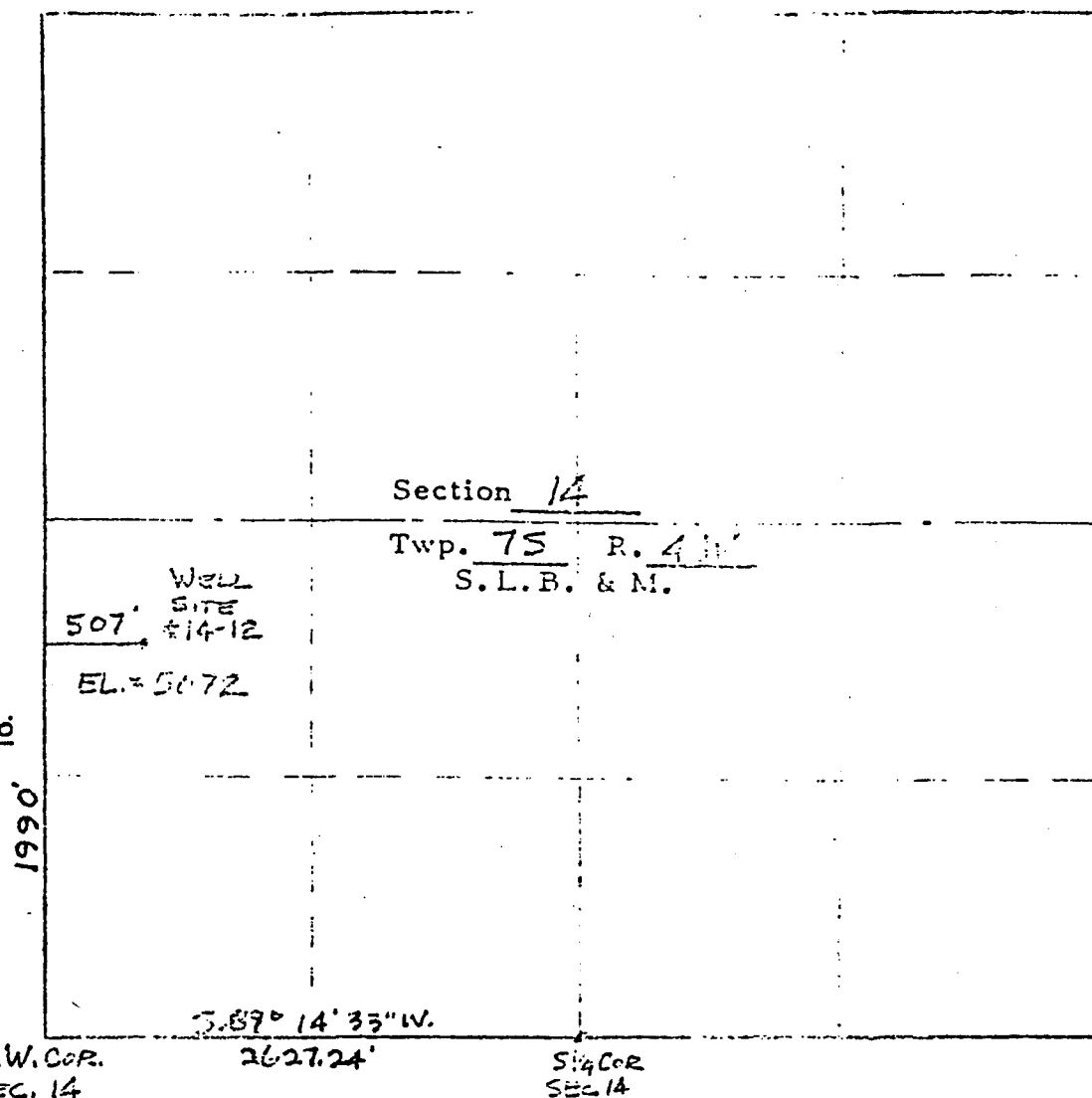
\*See Instructions On Reverse Side

Federal approval of this action  
is required before commencing  
operations.

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.



SCALE: 1" = 1000'



### SURVEYOR'S CERTIFICATE

I, Kay L. Ryan of Ryan Engineering Inc., do hereby certify that I am a Registered Land Surveyor, and hold certificate No. 4385 as prescribed by the laws of the State of Utah, and have made a survey as shown on this plat of:

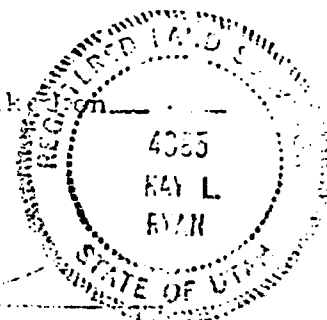
LAB Energy Inc., Federal #14-12, located 1990 ft. N. and 507 ft. East from the Southwest Corner, Section 14, Township 7 South, Range 4 West, Salt Lake Meridian.

Ground line Elevation: 5072 ft. (Approx.)

I further certify that the above plat shows the location of the stake on the ground.

Date Feb. 1, 1995

*Kay L. Ryan*





CONDITIONS OF APPROVAL FOR NOTICE TO DRILL

Company LAB Energy, Inc. Well No. 14-12  
Location NWSW Sec. 14, T 7 S, R 4 W,  
1990' FSL, 507' FWL Lease No. U-37742  
Tooele County, Utah

Onsite Inspection Date By Appointment Waived

All lease and/or unit operations will be conducted in such a manner that full compliance is made with applicable laws, regulations (43 CFR 3100), Onshore Oil and Gas Order No. 1, and the approved plan of operations. The operator is fully responsible for the actions of his subcontractors. A copy of these conditions will be furnished the field representative to insure compliance.

PART I  
EIGHT PART DRILLING PROGRAM

Drilling Program Deepen well #14-12 from 4046 feet to 5500 feet.

1. Surface Formation and Formation Tops:

Surface: Holocene Valley Fill / Pliocene  
1400' - 3530' Pliocene, Miocene (Salt Lake Group)  
3530' - TD. Paleozoic, Oquirrh Group? - Note - May still be in Salt Lake Group at TD.  
Estimated Formation Tops:  
4600' - 5500' Pennsylvanian (Lower Butterfield Peak Formation)

2. Estimated Depth at Which Oil, Gas, Water, or Other Mineral Bearing Zones are Expected to be Encountered:

<u>Formation</u>	<u>Zone</u>
Expected oil zones: (Lower Butterfield Peaks Fm) 4600'-TD	
Expected gas zones:	<u>Same</u>
Expected water zones:	<u>None</u>
Expected mineral zones:	<u>None</u>

All fresh water and prospectively valuable minerals (as described by BLM at onsite) encountered during drilling, will be recorded by depth and adequately protected. All oil and gas shows will be tested to determine commercial potential.

3. Pressure Control Equipment:

Operator will maintain a minimum pressure control of 3000 psi. (See Figure 3). Blowout preventer will be operated with hydraulic and mechanical equipment. Kelly cocks will be available on the rig floor at all times. Drilling fluid weight sufficient to control well will be maintained. No over pressured zones are anticipated.

3000<sup>+</sup> W.P.  
minimum for all  
related well  
Control equipment.

BOP systems will be consistent with API RP53. BOP systems will be equipped with both blind rams and pipe rams to fit the drill pipe in use. Pressure tests will be conducted before drilling out from under casing strings which have been set and cemented in place. Blowout preventer controls will be installed prior to drilling the surface casing plug and will remain in use until the well is completed or abandoned. Preventers will be inspected and operated at least daily to ensure good mechanical working order, and this inspection will be recorded on the daily drilling report. Preventers will be pressure tested before drilling casing cement plugs.

The District Office (will) will not) be notified three (3) days in advance in order to have a BLM representative on location during pressure testing.

4. Casing Program and Auxiliary Equipment:

As indicated. (See Figure 4). Casing has been cemented at 505' in depth and may be set to 5500' in depth.

5 1/2" K-55 15#/ft class H cement min. 200ft above the uppermost pay zone.

Anticipated cement tops will be reported as to depth; not the expected number of sacks of cement to be used. The District Office should be notified, with sufficient lead time, in order to have a BLM representative on location while running all casing strings and cementing.

5. Mud Program and Circulating Medium:

Drilling medium will be fresh water gel mud with 2% KCL. Mud weight will be held to 9# per gallon or less unless increased weight is needed to prevent blowout. Mud system will be kept at balance to minimize lost circulation. Pit level will be monitored visually. No hydrogen sulfide is anticipated. No chromate additives will be used in the mud system on Federal lands without prior BLM approval to ensure adequate protection of fresh water aquifers.

6. Coring, Logging, and Testing Program:

One drill stem test is anticipated but not specific. No cores are planned. The minimum logging program includes a Dual Induction Laterolog; a Compensated Formation Density Log and Neutron Log with Gamma Ray and Caliper; and a Long Spaced Sonic Log. Also dipmeter & hole deviation log.

Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (Form 3160-4) will be submitted not later than 30 days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3164. Two copies of all logs, core descriptions, core analyses, well-test data, geologic summaries, sample description, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, will be filed with Form 3160-4. Samples (cuttings, fluids, and/or gases) will be submitted when requested by the authorized officer (AO).

7. Abnormal Conditions, Bottom Hole Pressures and Potential Hazards: It is expected that the reservoir drive pressure will be approximately equal to the hydrostatic pressure, or not more than 3000 psi. No hydrogen sulfide is expected. For contingency, a portable detector will be kept on site. If hydrogen sulfide is detected, the blowout preventers will be closed and the location evacuated until protective equipment can be provided. No other mitigating circumstances were encountered in the #17-10 well drilled by Lab Energy to a depth of 7130 feet in 1983.

8. Anticipated Stating Dates and Notifications of Operations:

Location construction: Previously - November 10, 1985

Spud date: May 1, 1987 5500' 10 days duration

June 5,

No location will be constructed or moved, no well will be plugged, and no drilling or workover equipment will be removed from a well to be placed in a suspended status without prior approval of the AO will be obtained and notification given before resumptions of operations.

The spud date will be reported orally to the AO within 48 hours after spudding. If the spudding occurs on a weekend or holiday, the report will be submitted on the following regular work day. The oral report will be followed up with a Sundry Notice.

In accordance with Onshore Oil and Gas Order No. 1, this well will be reported on Form 3160-6 "Monthly Report of Operations", starting with the month in which operations

commence and continue each month until the well is physically plugged and abandoned. This report will be filed with the BLM, Salt Lake District Office, 2370 South 2300 West, SLC, Utah 84119.

Immediate Report: Spills, blowouts, fires, leaks, accidents, or any other unusual occurrences shall be promptly reported in accordance with the requirements of NTL-3A or its revision.

If a replacement rig is contemplated for completion operations, a "Sundry Notice" (Form 3160-5) to that effect will be filed, for prior approval of the AO, and all conditions of this approved plan are applicable during all operations conducted with the replacement rig.

Should the well be successfully completed for production, the AO will be notified when the well is placed in a producing status. Such notification will be sent by telegram or other written communication, not later than 5 days following the date on which the well is placed on production.

Pursuant to NTL-2B, with the approval of the District Manager produced water may be temporarily disposed of into unlined pits for a period of up to 90 days. During the period so authorized, an application for approval of the permanent disposal method, along with the required water analysis and other information, must be submitted to the District Manager.

Pursuant to NTL-4A, lessors or operators are authorized to vent/flare gas during initial well evaluation tests, not exceeding a period of 30 days of the production of 50 MMCF of gas, whichever occurs first. An application must be filed with the District Manager and approval received for any venting/flaring of gas beyond the initial 30 day or authorized test period.

A schematic facilities diagram, as required by 43 CFR 3162.7-2, 3162.7-3, and 3162.7-4, shall be submitted to the appropriate District Office within 30 days of installation or first production, whichever occurs first. All site security regulations, as specified in 43 CFR 3162.7, shall be adhered to. All product lines entering and leaving hydrocarbon storage tanks will be effectively sealed in accordance with 43 CFR 3162.7-4.

A first production conference will be scheduled within 15 days after receipt of the first production notice.

No well abandonment operations will be commenced without the prior approval of the AO. In the case of newly drilled dry holes or failures, and in emergency situations, oral approval will be obtained from SO. A "Subsequent Report of Abandonment", Form 3160-5, will be filed with the AO within 30 days following completion of the well for abandonment. This report will indicate where plugs were placed and the current status of surface reclamation work required by the approved APD or approved abandonment notice has been completed to the satisfaction of the AO or his representative, or the appropriate Surface Managing Agency.

Pursuant to Onshore Oil and Gas Order No. 1, lessees and operators have the responsibility to see that their exploration, development, production, and construction operations are conducted in a manner which conforms with applicable Federal laws and regulations and with State and local laws and regulations to the extent that such State and local laws are applicable to operations on Federal or Indian lands.

Upon completion of approved plugging, a regulation marker will be erected in accordance with 43 CFR 3162.6. The marker will be constructed as follows:

The top of the marker will be closed or capped.

The following minimum information will be permanently placed on the marker with a plate, cap or beaded-on with a welding torch:

"Fed" or "Ind", as applicable. "Well number, location by 1/4 1/4 section, township and range". "Lease number".

Other:

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## PART II

### THIRTEEN-POINT SURFACE USE PLAN

#### 1. Existing Roads:

- a. Location of proposed well in relation to town or other reference point: Well is located approximately 22 miles SW of Cedar Fort, Utah.
- b. Proposed route to location: All existing roads are shown on Figure 1 and 1A. Access to the locality is from State Highway #73 to the Faust Road, then west about 8 miles to a junction with an un-numbered county road which turns off to the South. A 1/4 mile section of new road has been constructed west off this county road beginning about 1/2 mile South of Faust Road.
- c. Plans for improvement and/or maintenance of existing roads: Roads requiring improvement are indicated (Figure 1) The maximum disturbed width will be 30' or less. Maximum grade will be 5% or less. No turnouts are required. The center line is indicated on Figure 1. All roads to be improved will be done according to the Class III requirements as defined by the Bureau of Land Management, including rehabilitation. No drainages will be impaired so no culverts will be required.
- d. Location and description of roads in the area: See Figure 1
- e. Other: None.

#### 2. Planned Access Roads:

Access Roads to be Constructed or Reconstructed. The access road will be upgraded to the minimum necessary to accommodate the heavy equipment and weather conditions. Any gravel needed for the roads will be obtained from an established pit.

- a. The maximum total disturbed width will be kept to 30 feet. No new construction is planned.~~except.~~
- b. Maximum grades: Grades can be kept to 7% or less.
- c. Turnouts: No turnouts will be required.
- d. Location (centerline): See Figure 1

e. Drainage: Roads will be ditched and drained as required by BLM regulations. No major drainages will be disturbed.

f. Surface Materials: Road and location has been graveled with material from pit located in Sec. 17, T 7 S, R 4 W. (See Figure 1).

g. Other:  
\_\_\_\_\_  
\_\_\_\_\_

Surface disturbance and vehicular travel will be limited to the approved location and access road. Any additional area needed will be approved by the District Manager in advance.

3. Location of Existing Wells:

There are no existing wells within one mile of this site.

4. Location of Tank Batteries and Production Facilities:

A detailed location plan for drilling purposes is attached. (Figure 2). Until production is established, it is requested that the plat showing facilities should be deferred, since at present, equipment needed is unknown. The location terrain is essentially flat. Topsoil will be stockpiled on the NW corner of the pad. The pad will be sloped slightly toward the north to permit drainage. The short access road and pad will be graveled with gravel from nearby existing pits if needed. Access to the pad will be had along an existing improved county road to the south off the Faust Road. The access road will be ditched and crowned in addition to graveling. (See Figure 1).

The proposed production facility locations have not been approved. In the event of a discovery and a producing well, a separate surface use and operating plan covering any additional facilities will be required and is subject to approval. Another Environmental Assessment will be prepared to evaluate such a proposal.

All permanent (on site for six months or longer) structures constructed or installed (including oil well pumpjacks) will be painted a flat, non-reflective, earthtone color to match the standard environmental colors, as determined by the Rocky Mountain 5 State Interagency Committee. All facilities will be painted within 6 months of installation. Facilities required to comply with O.S.H.A. (Occupation Safety and Health Act) will be excluded.

If a tank battery is constructed on this lease, it will be surrounded by a dike of sufficient capacity to contain 1-1/2 times the storage capacity of the battery.

Tank batteries will be placed on the: Deferred.

All loading lines will be placed inside the berm surrounding the tank battery.

All site security guidelines identified in 43 CFR 3162.7 regulations will be adhered to.

All off-lease storage, off-lease measurement, or commingling on-lease or off-lease will have prior written approval from the AO.

Gas meter runs for each well will be located within 500 feet of the wellhead. The gas flowline will be buried from the wellhead to the meter and 500 feet downstream of the meter run or any production facilities. Meter runs will be housed and/or fenced.

The oil and gas measurement facilities will be installed on the well location. The oil and gas meters will be calibrated in place prior to any deliveries. Tests for meter accuracy will be conducted at least quarterly thereafter. The AO will be provided with a date and time for the initial meter calibration reports will be submitted to the Salt Lake District Office. All meter measurement facilities will conform with the API standards for liquid hydrocarbons and the AGA standard for natural gas measurement.

5. Location and Type of Water Supply:

All water needed for drilling purposes has/will be obtained from:

The Ault Ranch near Vernon, Utah, approximately 12 miles East from location, or the Fitzgerald Ranch east of Fairfield, Utah.

6. Source of Construction Material:

Road surfacing and pad construction material was/will be obtained from:

gravel pit located C 17, T 7 S, R 4 W. See Figure 1

The use of materials under BLM jurisdiction will conform to 43 CFR 3610.2-3.



Construction material is located on lease.

7. Methods of Handling Waste Disposal:

The reserve pit will not be lined:

The location of the reserve pit will be as before.

Three sides of the reserve pit will be fenced with sheep proof wire fence before drilling starts. The fourth side will be fenced as soon as the drilling is completed. The fence will be kept in good repair while the pit is drying.

All trash will be contained in a trash cage and disposed of in an established sanitary landfill.

Produced waste water will be confined to a (lined/unlined) pit for a period not to exceed ninety (90) days after the initial production. During the ninety (90) day period, an application for approval of a permanent disposal method and location, along with the required water analysis, will be submitted for the District Manager's approval pursuant to Onshore Oil and Gas Order No. 3 (NTL-2B). Failure to file an application within the time allowed will be considered an incident of noncompliance, and will be grounds for issuing a shut-in order.

All drilling fluids, muds and cuttings must be contained on the project site in the reserve pit or in portable containers. All appropriate measures must be taken to assure that leakage through the reserve pit bottom and walls does not occur and that fluids are not allowed to overflow. The reserve pit must not be used for disposal of garbage, trash or other refuse.

Sanitary facilities are required on site at all times during operations. The installation of facilities other than self-contained chemical toilets is subject to State and BLM approval.

All trash, garbage and other refuse must be properly contained on the site during operations and periodically disposed of at an approved refuse facility. Following completion of operations, all unnecessary equipment, materials and refuse must be removed from the site.

## 8. Ancillary Facilities

Camp facilities will not be required. They will be located: The only ancillary facilities required will be two trailers, one for the toolpusher and one for company personnel. In addition, the mud logging contractor will have a trailer and there may be one trailer for mud storage. (See Figure 2). A chemical toilet will be provided.

## 9. Well Site Layout:

The reserve pit will be located: See Figure 2 as before. The reserve pit will be located on the North side of the pad.

The top four inches of soil material will be removed for the location and stockpiled separately on the Northwest corner of the pad, away from traffic.

Topsoil along the access road will be reserved in place adjacent to the road.

Access to the well pad will be from:  
The East end, off existing road (see Figure 1)

## 10. Plans for Restoration of Surface:

Upon completion of operations, the pits will be filled and the topsoil replaced over the location. Reseeding will be as directed by the appropriate range management agency. No significant drainages will be affected. The operator or his agent will notify the District BLM office 48 hours before starting reclamation work.

Topsoil will be selectively removed and stockpiled during the project road and pad construction. Topsoil will be stockpiled separately from other material and protected so it will not become contaminated. After subsoil and rock material have been replaced to the approximate original ground contour during reclamation, the topsoil will be placed over all disturbed areas. The disturbed area must be seeded with the specified seed mix after topsoil is replaced.

Immediately upon completion of drilling, the location and surrounding area will be cleared of all debris, materials, trash and junk not required for production.

The reserve pit must be allowed to dry before it is backfilled and reclaimed. It must be enclosed by a 5-strand barbed wire fence while left to dry.

Before any dirt work to restore the location takes place, the reserve pit must be completely dry and all cans, barrels, pipe, etc., will be removed.

The operator, or his contractor, (will) will not) notify the Salt Lake District Office forty-eight (48) hours before starting reclamation work that involves earthmoving equipment, and upon completion of restoration measures.

All disturbed areas will be recontoured to the approximate natural contours.

The stockpiled topsoil will be evenly distributed over the disturbed areas.

Prior to reseeding, all disturbed areas, including the access roads, will be scarified and left with a rough surface.

Seed will be broadcast or drilled at a time specified by the BLM. If the broadcast, a harrow, or some other implement will be dragged over the seeded area to assure seed coverage.

All disturbed areas should be seeded as soon as practical to establish vegetation for soil protection. Reclamation seeding of the pad area will be done when approved by the BLM. Seeding may be done by either drilling or broadcast method. If the drilling method is used, seed will be drilled to a depth not less than 1/16 inch and not more than 1/2 inch. The seed mix is shown in the following table.

Seed Mix for Pad, Project and Access Roads

<u>Species</u>	<u>Common Name</u>	<u>Lbs/Acre</u>	<u>Lowest Acceptable Purity</u>
Eurotia lanata	Winterfat	1	98%
Agropyron smithii	Western wheatgrass	2	98%
Agropyron cristatum	Crested wheatgrass	3	98%
Oryzopsis hymenoides	Indian ricegrass	1	98%
Kochia prostrata	Summer cypress	1/2	98%
Sporobolus cryptandrus	Sand dropseed	1	98%

For this seed mixture, drilling application rate is 8.5 pounds per acre. If broadcast seeding is used, the recommended pounds per acre should be increased by 50%.

After reclamation seeding, a 5-strand barbed wire letdown fence will be constructed around the site to exclude livestock. The fence will be maintained by Lab Eneergy until vegetation is adequately re-established on the site.

Reclamation of the abandoned access roads will include obliteration, scarification, waterbaring and seeding. Adequate barricades will be installed at the ends of the abandoned roads to prohibit motor vehicle travel.

The reserve pit and that portion of the location and access road not needed for production or production facilities will be reclaimed.

Additional Requirements: \_\_\_\_\_

11. Surface and Mineral Ownership:  
All surface is federally owned.

12. Other Information:  
A Blanket Archeological study has been done by the University of Utah Department of Archeology. See report in Sabie Creek Unit #14-12.

Fire suppression equipment must be available to all personnel on the project site. Equipment must include a minimum of one hand tool per crew member consisting of shovels, pulaskis, and one properly rated fire extinguisher per vehicle and/or internal combustion engine.

All gasoline and diesel equipment must be equipped with effective spark arresters and mufflers. In addition, all electrical equipment must be properly insulated to prevent sparks.

The operator will be held responsible for damage and suppression costs for fires started as a result of their operations. Fires must be reported to the BLM as soon as possible.

All accidents or mishaps resulting in significant resource damage and/or death or serious personal injury must be reported to the Forest Service as soon as possible.

Vehicle operators will observe posted or established speed restrictions.

Section corners or other survey markers, including claim corners, in the project area, must be located and flagged

for preservation prior to commencement of surface disturbing activities. The removal, displacement or disturbance of markers must be approved in advance by a BLM licensed land surveyor. Replacement of markers disturbed by these activities will also be approved by a licensed land surveyor approved by the BLM.

Harassment of wildlife and livestock, is prohibited.

All surface disturbing activities must be supervised by a qualified, responsible official or representative of the designated operator who is aware of the terms and conditions of the APD and the specifications in the approved plans.

The project engineer and surveyors must be certified by the State of Utah.

Move-in and move-out requires advance approval of the BLM. Move-in and move-out of the drill rig shall not be done on holidays or weekends without advance approval of the BLM.

There will be no deviation from the proposed drilling and/or workover program without prior approval from the A0. Safe drilling and operating practices must be observed. All wells, whether drilling, producing, suspended, or abandoned, will be identified in accordance with 43 CFR 3162.2.

"Sundry Notice and Report on Wells" (Form 3160-5) will be filed for approval for all changes of plans and other operations in accordance with 43 CFR 3164.

The dirt contractor will be provided with an approved copy of the surface use plan.

A cultural/<sup>additional</sup> resource clearance (will) will not) be required before any construction begins. If any cultural resources are found during construction, all work will stop and the A0 will be notified.

### 13. Lessee's or Operator's Representative and Certification

Lab Energy will designate someone on the project with authority to make changes, to be available at all times during construction. (This person will be the BLM contact during construction.)

Representative

Name: WARREN L. JACOBS  
LAB ENERGY  
7107 South 400 West #10  
Midvale, Utah 84047  
(801) 566-4101

*Tommy Barnes*  
*Drilling Consultant.*  
*at rig.*

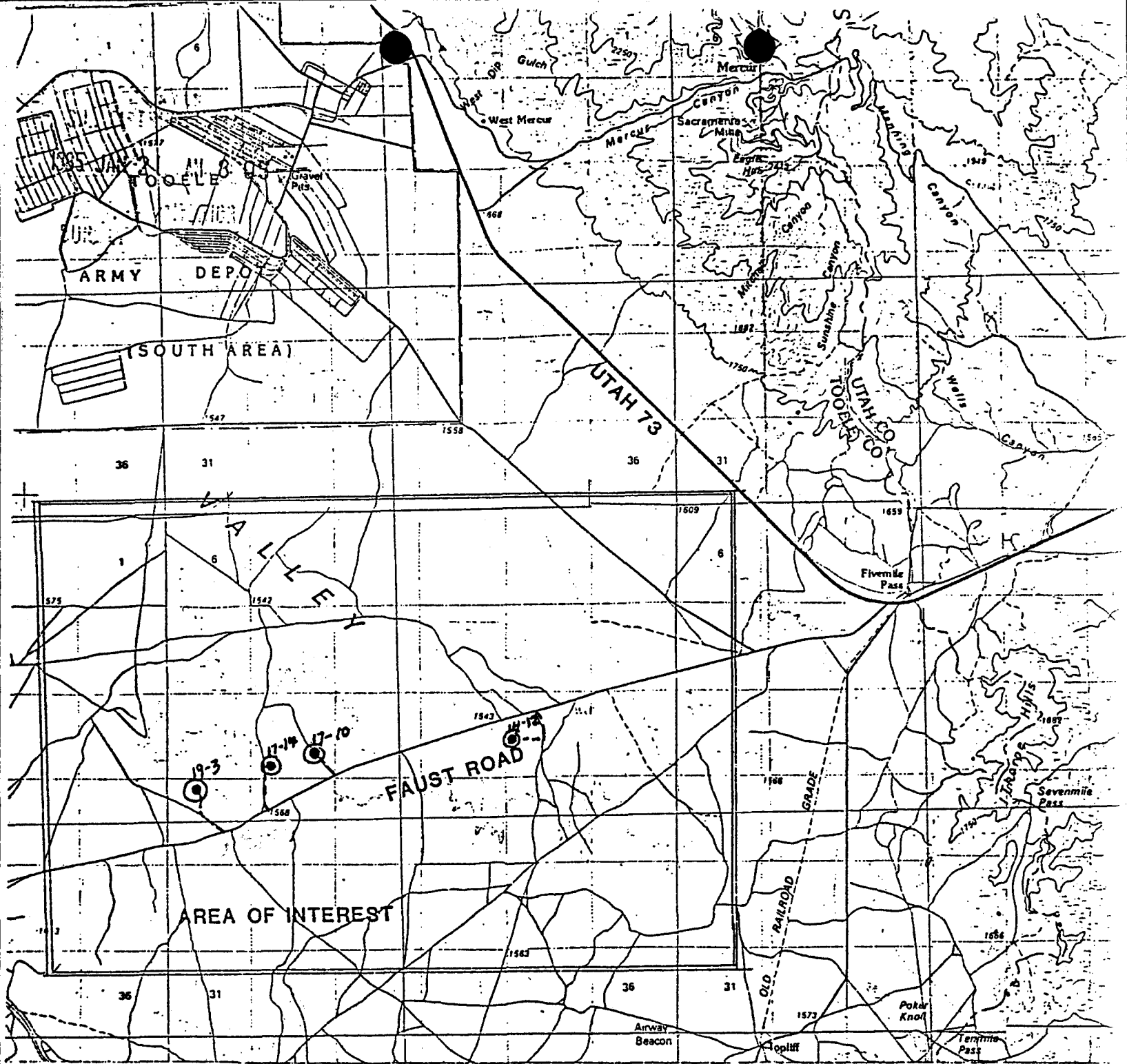
This permit will be valid for a period of one (1) year from the date of approval. After permit termination, a new application will be filed for approval for any future operations.

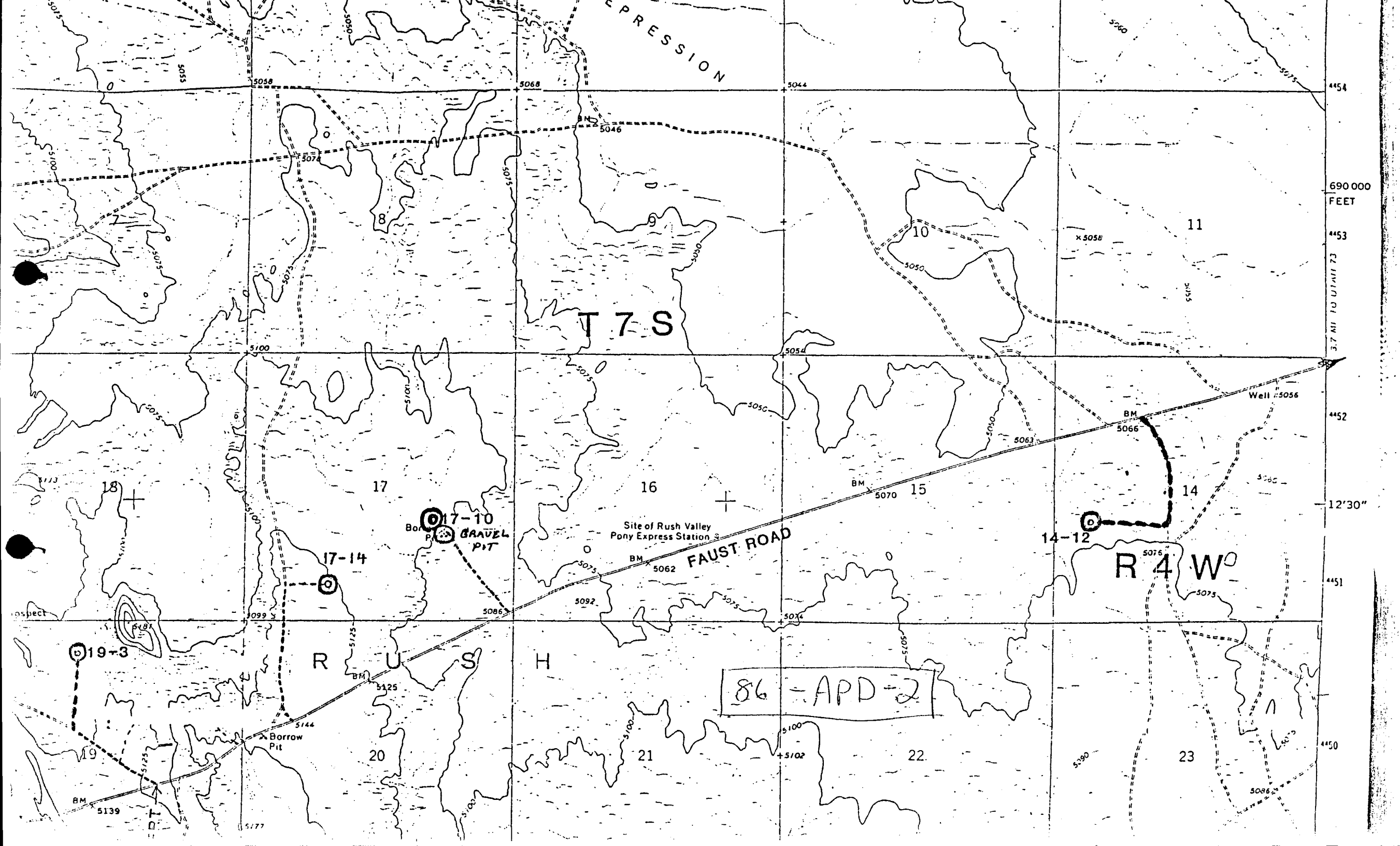
Certification:

I hereby certify that I, or persons under my direct supervision, have inspect the proposed drillsite and access route, that I am familiar with the conditions which currently exist, that the statements made in this plan are, to the best of my knowledge, true and correct, and that the work associated with the operations proposed herein will be performed by LAB ENERGY and its contractors and subcontractors in conformity with this plan, and the terms and conditions under which it is approved. This statement is subject to the provisions of 18 U.S.C. 1001 for the filing of a false statement.

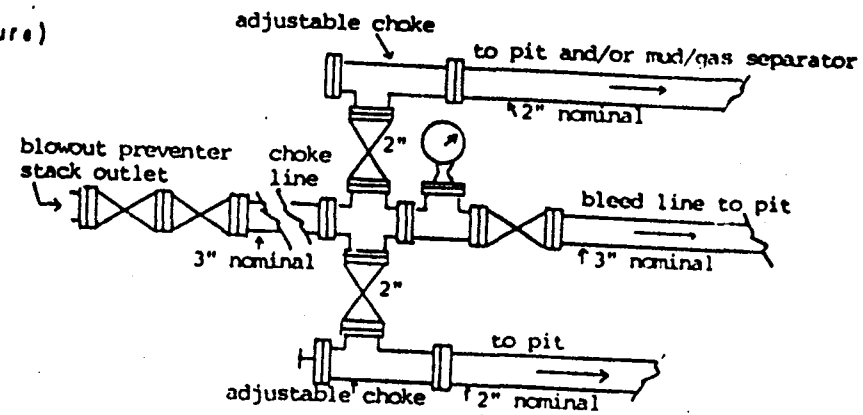
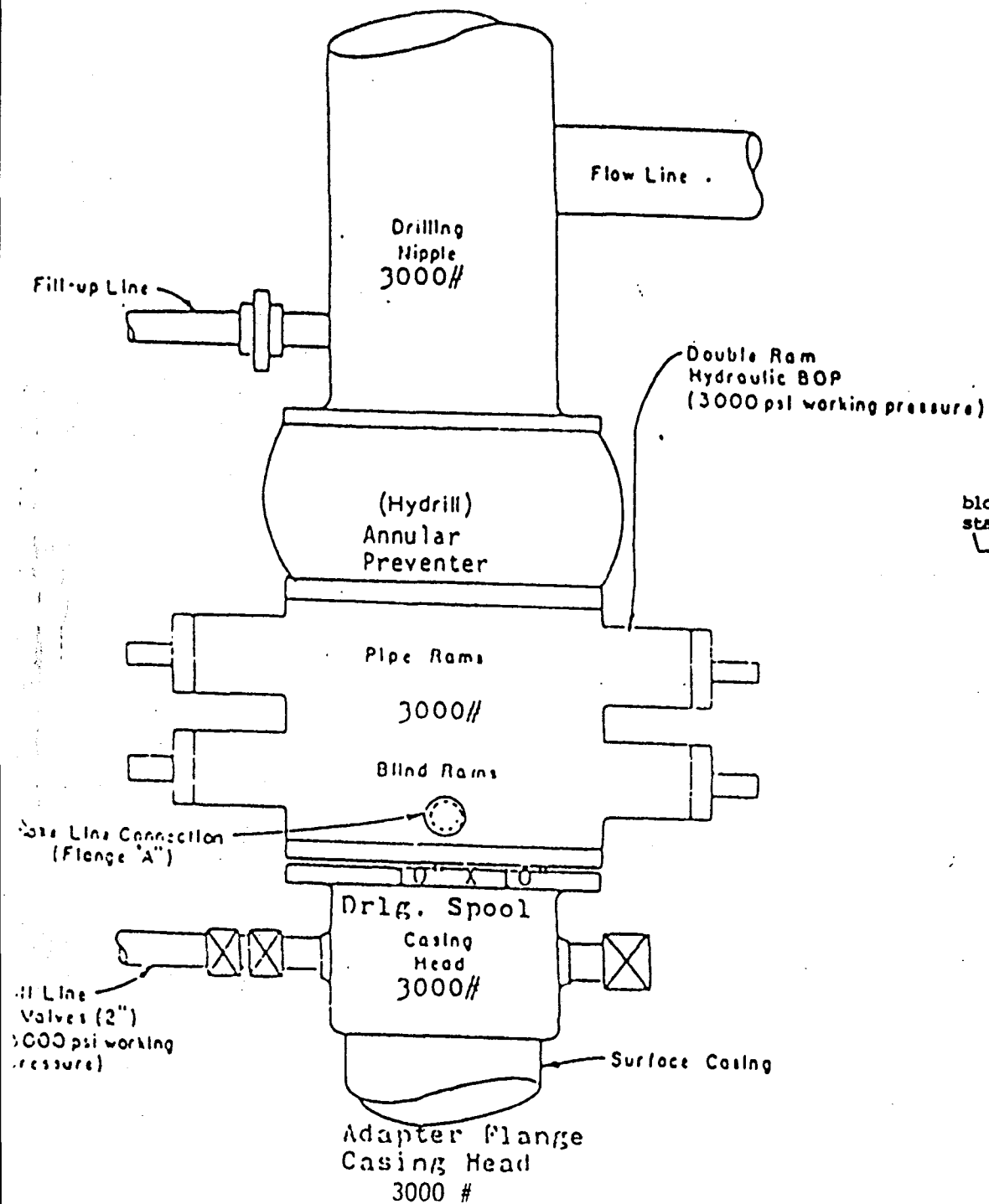
March 31 1987  
Date

Warren L. Jacobs  
WARREN J. JACOBS







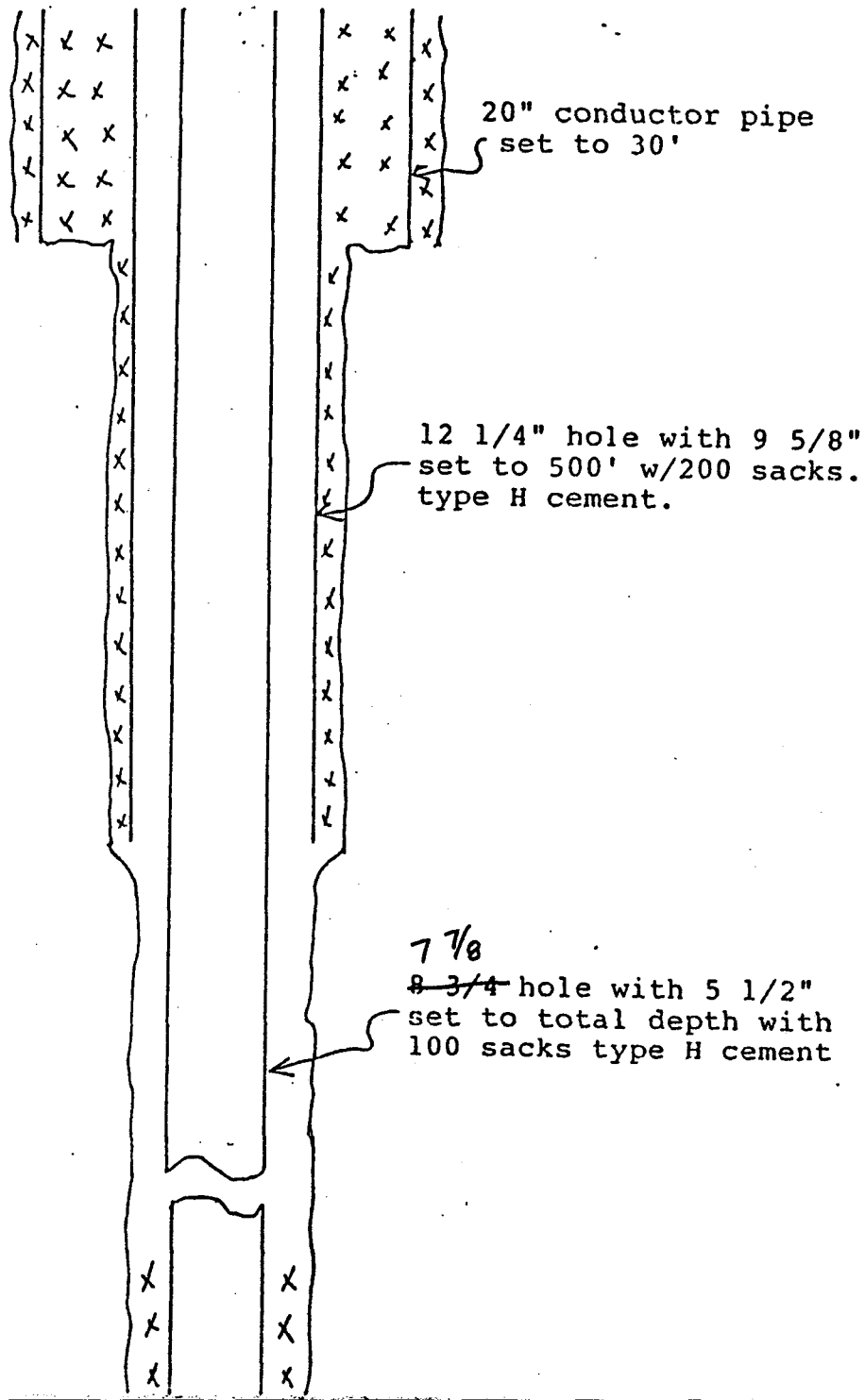


typical choke manifold assembly for 3M rated working pressure service-surface installation

EXHIBIT "C"  
Blowout Preventer  
Diagram

SCHEMATIC DIAGRAM

CASING DETAIL FOR  
SHALLOW WELL SINGLE  
STRING COMPLETION  
RUSH VALLEY, TOOELE  
COUNTY, UTAH





TRAILERS  
PARKING

FUEL STORAGE

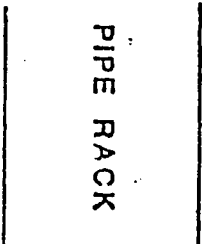


LIGHT PLANT

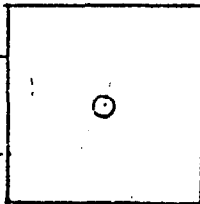


400'X400'

PIPE RACK



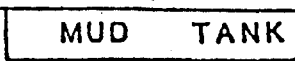
RIG



TRAILER



MUD TANK

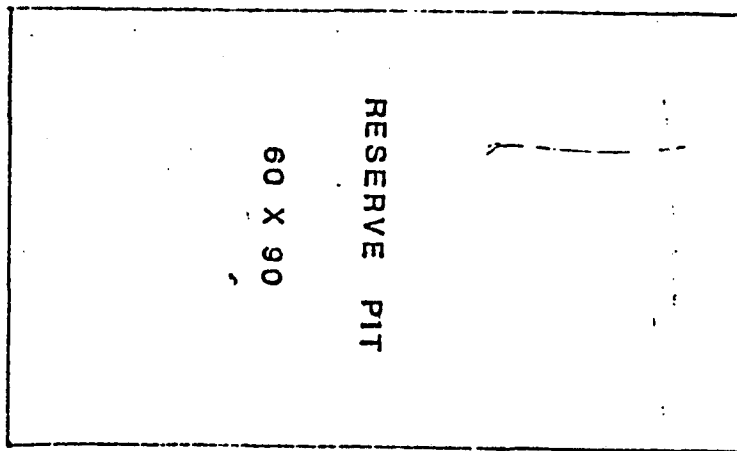


WATER STORAGE  
MUD STORAGE



RESERVE PIT

60 X 90



OVERBURDEN



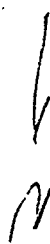
TOP SOIL



~~BURN~~ PIT



TOILET



Re-Entry

052802

OPERATOR Lat Energy DATE \_\_\_\_\_

WELL NAME Lat Energy 14-12

SEC NWSW 14 T 7S R 4W COUNTY Boole

43-045-30019  
API NUMBER

Lease  
TYPE OF LEASE

CHECK OFF:

☒

PLAT

☒

BOND

☐

NEAREST  
WELL

☒

LEASE

☒

FIELD

☒

POTASH OR  
OIL SHALE

PROCESSING COMMENTS:

Need water permit

APPROVAL LETTER:

SPACING: ☐ 203 \_\_\_\_\_  
UNIT

☒ 302 (Lease  
unit)

☐

CAUSE NO. & DATE

☐

302.1

STIPULATIONS:

1- Water



STATE OF UTAH  
NATURAL RESOURCES  
Oil, Gas & Mining

Norman H. Bangerter, Governor  
Dee C. Hansen, Executive Director  
Dianne R. Nielson, Ph.D., Division Director

355 W. North Temple • 3 Triad Center • Suite 350 • Salt Lake City, UT 84180-1203 • 801-538-5340

May 26, 1987

Lab Energy, Inc.  
7107 South 400 West #10  
Midvale, Utah 84047

Gentlemen:

Re: Lab Energy 14-12 - NW SW Sec. 14, T. 7S, R. 4W  
1990' FSL, 507' FWL - Tooele County, Utah

Approval to re-enter and deepen the referenced well is hereby granted in accordance with Rule 302, Oil and Gas Conservation General Rules, subject to the following stipulations:

1. Prior to commencement of drilling, receipt by the Division of evidence providing assurance of an adequate and approved supply of water as required by Chapter 3, Title 73, Utah Code Annotated.

In addition, the following actions are necessary to fully comply with this approval:

1. Spudding notification to the Division within 24 hours after drilling operations commence.
2. All well operators are responsible for sending an Entity Action Form to the Division of Oil, Gas and Mining within five working days of the time that a new well is spudded or a change in operations or interests necessitates a change in Entity status.
3. Submittal to the Division of completed Form OGC-8-X, Report of Water Encountered During Drilling.
4. Prompt notification to the Division should you determine that it is necessary to plug and abandon this well. Notify John R. Baza, Petroleum Engineer, (Office) (801) 538-5340, (Home) 298-7695, or R. J. Firth, Associate Director, (Home) 571-6068.

Page 2  
Lab Energy, Inc.  
Lab Energy 14-12  
May 26, 1987

5. Compliance with the requirements and regulations of Rule 311.3, Associated Gas Flaring, Oil and Gas Conservation General Rules.
6. Prior to commencement of the proposed drilling operations, plans for toilet facilities and the disposal of sanitary waste at the drill site shall be submitted to the local health department having jurisdiction. Any such drilling operations and any subsequent well operations must be conducted in accordance with applicable state and local health department regulations. A list of all local health departments and copies of applicable regulations are available from the Division of Environmental Health, Bureau of General Sanitation, telephone (801) 533-6163.
7. This approval shall expire one (1) year after date of issuance unless substantial and continuous operation is underway or an application for an extension is made prior to the approval expiration date.

The API number assigned to this well is 43-045-30019.

Sincerely,



R. J. Firth  
Associate Director, Oil & Gas

as  
Enclosures  
cc: Branch of Fluid Minerals  
D. R. Nielson  
8159T

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK  DRILL <input type="checkbox"/> DEEPEN <input checked="" type="checkbox"/> PLUG BACK <input type="checkbox"/>		5. LEASE DESIGNATION AND SERIAL NO. U-37742
b. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER Wildcat SINGLE ZONE <input type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/>		6. IF INDIAN, ALLOTTEE OR TRIBE NAME
2. NAME OF OPERATOR LAB Energy, Inc.		7. UNIT AGREEMENT NAME Pony Express
3. ADDRESS OF OPERATOR 7107 South, 400 West #10, Midvale, Utah 84047		8. FARM OR LEASE NAME LAB Energy
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)* At surface 1990 FSL, 507 FWL At proposed prod. zone Same		9. WELL NO. 14-12
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* Approximately 25 Miles S W of Cedar Fort, Utah		10. FIELD AND POOL, OR WILDCAT Wildcat
15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any) 507' FWL 4763' FEL		11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA Sec. 14, T7S, R4W, SLM
16. NO. OF ACRES IN LEASE 1280		12. COUNTY OR PARISH Tooele
17. NO. OF ACRES ASSIGNED TO THIS WELL Not spaced		13. STATE Utah
18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.		20. ROTARY OR CABLE TOOLS Rotary
19. PROPOSED DEPTH 5500'		22. APPROX. DATE WORK WILL START* May 1, 1987 June 5,
21. ELEVATIONS (Show whether DF, RT, GR, etc.) 5070' GR		

RECEIVED  
JUN 03 1987

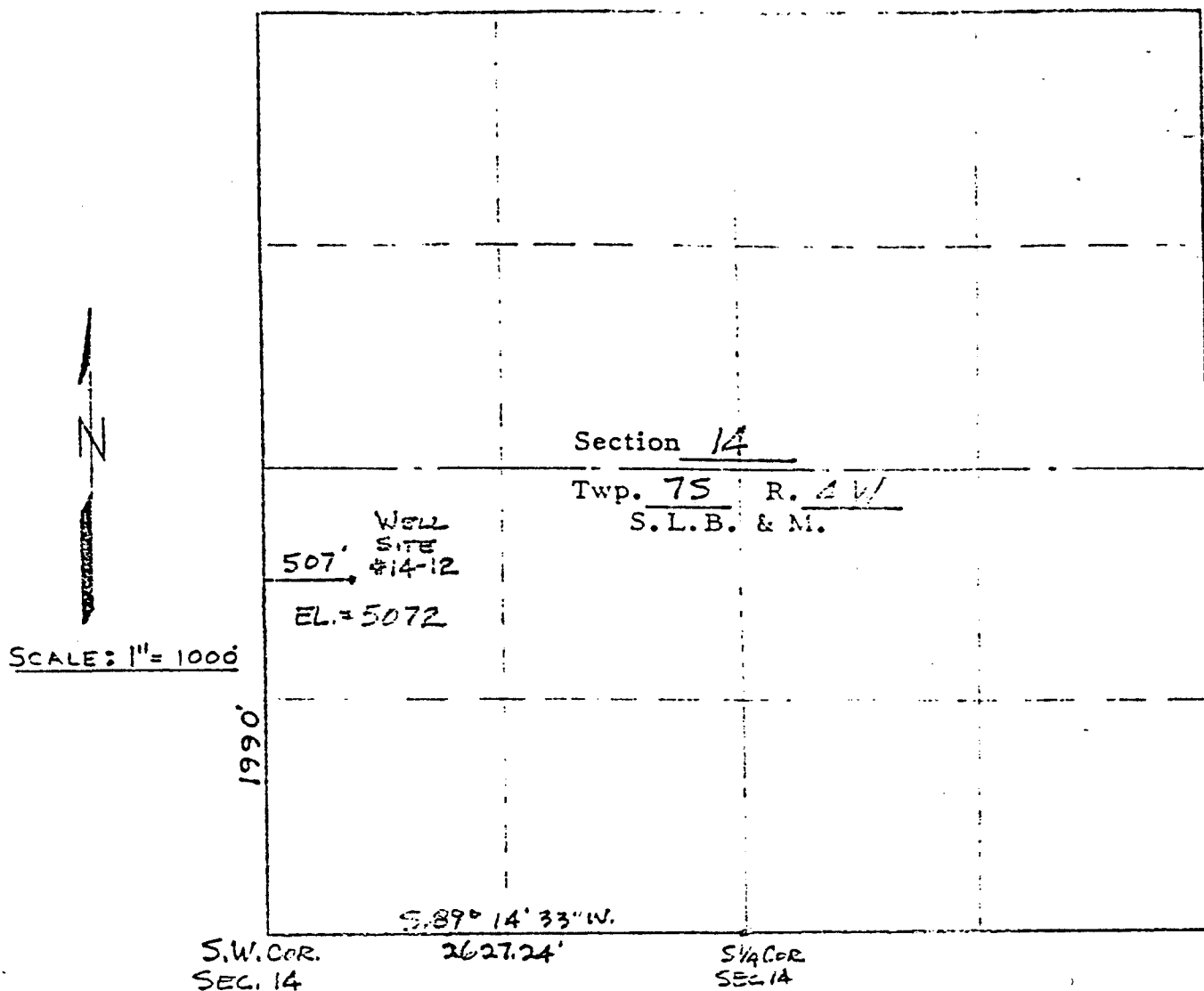
DIVISION OF  
OIL, GAS & MINING

24. SIGNED <u>Walter J. Yard</u>	TITLE <u>Vice President</u>	DATE <u>3-30-87</u>
(This space for Federal or State office use)		
PERMIT NO. <u>87-APD-E43-045-30019</u>	APPROVAL DATE <u>21 MAY 1987</u>	
APPROVED BY <u>Deane H. Zeller</u>	TITLE <u>DISTRICT MANAGER</u>	DATE <u>21 MAY 1987</u>
CONDITIONS OF APPROVAL, IF ANY:		

CONDITIONS OF APPROVAL, IF ANY:  
TO BE ATTACHED TO PERMIT

\*See Instructions On Reverse Side

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.



### SURVEYOR'S CERTIFICATE

I, Kay L. Ryan, of Ryan Engineering Inc., do hereby certify that I am a Registered Land Surveyor, and hold certificate No. 4385 as prescribed by the laws of the State of Utah, and have made a survey as shown on this plat of:

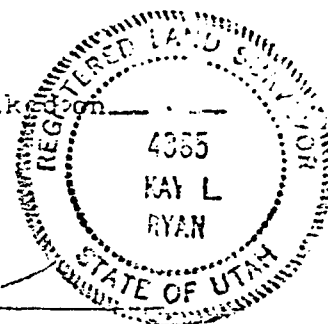
LAB Energy Inc., Federal #14-12, located 1990 ft. North and 507 ft. East from the Southwest Corner, Section 14, Township 75 South, Range 4 West, Salt Lake Meridian.

Ground line Elevation: 5072 ft. (Approx.)

I further certify that the above plat shows the locations as staked on the ground.

Date Feb 5, 1955

*Kay L. Ryan*







IN REPLY REFER TO:

# United States Department of the Interior

BUREAU OF LAND MANAGEMENT  
SALT LAKE DISTRICT OFFICE  
2370 South 2300 West  
Salt Lake City, Utah 84119

83-APD-3, No. 17-10  
85-APD-12, No. 19-3  
86-APD-2, No. 14-12  
3160 (U-027)

CERTIFIED MAIL P130 970 865  
RETURN RECEIPT REQUESTED

RECEIVED  
MAR 14 1988

031513

DIVISION OF  
OIL, GAS & MINING

7 MAR 1988

Mr. Warren Jacobs  
Lab Energy Inc.  
7107 South 400 West, Suite 10  
Midvale, Utah 84047

Dear Mr. Jacobs,

As per our previous correspondence dated February 4, 1987, Lab Energy is  
required to complete reclamation for drilling operations on well number 17-10,  
19-3, and 14-12 and complete plugging and abandonment of 17-10. Since all  
43-045-30620-PA 43-045-30019-Dr. 75 4w Sec. 14

leases have been terminated, further delay in this matter cannot be allowed.

You have 30 days from receipt of this notification to complete the required work. Enclosed are copies of approvals which detail the required work.

Failure to complete this work will result in forfeiture of the bond as per 43 CFR 3163. You have the right of appeal as described in 43 CFR 3165.

Sincerely yours,

/s/ JOHN H. STEPHENSON

ACTING DISTRICT MANAGER

Deane H. Zeller  
District Manager

cc: U-922  
U-942

87-APD-1  
3160 (U-026)

Warren L. Jacobs  
LAB Energy, Inc.  
7107 South 400 West #10  
Midvale, Utah 84047

*DBW 5/21/*  
21 MAY 1987

Dear Warren,

Enclosed are two copies of the approved Application for Permit to Drill (APD) for LAB Energy 17-10, T7S, R4W, Sec 17, NWSE. The APD includes the mitigating measures, conditions of approval, and management requirements provided by my staffs review of the proposed action.

Please advise us to when rig will begin setup and/or dirt work will begin so Dan or someone from my staff can witness this work.

Dan Washington of my staff will be glad to answer any questions concerning this matter.

Sincerely,

DEANE H. ZELLER

Deane H. Zeller  
District Manager

Enclosure  
APD (2)

CONDITIONS OF APPROVAL FOR NOTICE TO DRILL

Company Lab Energies, Inc. Location NW $\frac{1}{4}$ SE $\frac{1}{4}$ , Section 17, T. 7 S., R. 4 W.  
Well No. 17-10 Lease No. U-56554

All lease and/or unit operations will be conducted in such a manner that full compliance is made with applicable laws, regulations (43 CFR 3100), Onshore Oil and Gas Order No. 1, and the approved plan of operations. The operator is fully responsible for the actions of his subcontractors. A copy of these conditions will be furnished to the field representative to insure compliance.

The following conditions are in addition to the information in the APD and follow that numbering system.

Part I. Eight-Point Drilling Program

Changes requested in our letter of May 4, 1987 are handwritten in APD.

8. Location Construction, May 23, 1987.

Spud Date: May 29, 1987

Part II. Thirteen-Point Surface Use Plan.

10. If no drilling activity occurs on this location prior to the lease expiration date, plugging and abandonment of the well, and rehabilitation of the location will begin on or before September 1, 1987. If well is found to be non-commercial and plugging and abandonment of the well and rehabilitation of the location will be commenced on or before September 1, 1987.

14. This permit will be valid until the expiration of the lease or September 1, 1987.

On-site inspection is waived since the location is built and previously drilled.

Your contact with this office is Dan Washington, office phone (801) 524-4458, home phone (801) 756-9383.

District Manager's office address and contacts are:

Address: 2370 South 2300 West, Salt Lake City, Utah 84119

District Manager: Deane H. Zeller, office phone (801) 524-5348, home phone (801) 571-5376.



PL 5-16-88  
MPO

WELL FILE

IN REPLY REFER TO:

# United States Department of the Interior

BUREAU OF LAND MANAGEMENT

SALT LAKE DISTRICT OFFICE

2370 South 2300 West  
Salt Lake City, Utah 84119

MAY 4 1988

DIVISION OF  
OIL, GAS & MINING

U-56554, 83-APD-3, No. 17-10  
U-52938, 85-APD-12, No 19-3  
U-37742, 86-APD-2, No. 14-12  
3160 (U-027)

CERTIFIED MAIL P 716 242 263  
RETURN RECEIPT REQUESTED

3 MAY 1988

Mr. Arlin Jacobs  
Lab Energy Inc. N6570  
7107 South 400 West, Suite 10  
Midvale, Utah 84047

Dear Mr. Jacobs:

Lab Energy has been unresponsive to my letter dated March 7, 1988, in which  
reclamation of drill sites 19-3, 14-12, and 17-10 and plugging and  
abandonment of well 14-12 was required to be completed within 30 days. As a  
result of this noncompliance, the necessary work will be put out to bid and  
your bond utilized to pay for such work.

Sincerely,

Deane H. Zeller  
District Manager

cc: Regional Solicitor  
Jim Thompson  
U-942  
U-922

15100 (10-550)  
81-100-S  
-10000

CONDITIONS OF APPROVAL FOR NOTICE TO DRILL

Company Lab Energies, Inc. Location NW $\frac{1}{4}$ SW $\frac{1}{4}$ , Section 14, T. 7 S., R. 4 W.  
Well No. 14-12 Lease No. U-37742

All lease and/or unit operations will be conducted in such a manner that full compliance is made with applicable laws, regulations (43 CFR 3100), Onshore Oil and Gas Order No. 1, and the approved plan of operations. The operator is fully responsible for the actions of his subcontractors. A copy of these conditions will be furnished to the field representative to insure compliance.

The following conditions are in addition to the information in the APD and follow that numbering system.

Part I. Eight-Point Drilling Program

Changes requested in our letter of May 4, 1987 are handwritten in APD.

8. Location Construction, Previously completed - November 10, 1985

Spud Date: June 4, 1987

Part II. Thirteen-Point Surface Use Plan.

10. If no drilling activity occurs on this location prior to the lease expiration date, rehabilitation of the location will begin on or before September 1, 1987. If well is found to be non-commercial and plugging and abandonment of the well and rehabilitation of the location will be commenced on or before September 1, 1987.

14. This permit will be valid until the expiration of the lease or September 1, 1987.

On-site inspection is waived since the location is built and previously drilled.

Your contact with this office is Dan Washington, office phone (801) 524-4458, home phone (801) 756-9383.

District Manager's office address and contacts are:

Address: 2370 South 2300 West, Salt Lake City, Utah 84119

District Manager: Deane H. Zeller, office phone (801) 524-5348, home phone (801) 571-5376.



Norman H. Bangerter  
Governor  
Dee C. Hansen  
Executive Director  
Dianne R. Nielson, Ph.D.  
Division Director

# State of Utah

DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

355 West North Temple  
3 Triad Center, Suite 350  
Salt Lake City, Utah 84180-1203  
801-538-5340

February 6, 1989

TO: Jim Thompson, Inspection Staff Supervisor  
FROM: Mike Laine, Inspector  
RE: Lab Energy 17-10, 19-3, and 14-12 Wells, Township 7 South, Range 4 West, Tooele County, Utah

As per your instructions I contacted Theresa Thompson (BLM-SLC) on February 6, 1989, concerning the status of these three wells.

Theresa stated that the 19-3 and 14-12 wells were already plugged, but that the 17-10 well was not. Apparently the plugging contractors want to be released from liability should the plug on the 17-10 fail sometime in the future. The matter is being reviewed in Washington and that all activity is on hold until an opinion is received concerning future contractor liabilities. Lab Energy has a federal statewide \$25,000 bond that is being used for the plugging and reclamation of these locations.

She also stated that it is hoped that the 17-10 well would be plugged before July so that all three well locations could be reclaimed and reseeded in September of 1989.

tc  
IN17/5

## PHONE CONVERSATION DOCUMENTATION FORM

Route original/copy to:

☒ Well File 14-12☐ Suspense  
(Return Date) \_\_\_\_\_  
(To - Initials) \_\_\_\_\_☐ Other  
\_\_\_\_\_  
\_\_\_\_\_(Location) Sec 14 Twp 7S Rng 4W  
(API No.) 43-045-300191. Date of Phone Call: 7/25/89 Time: 10:00 AM2. DOGM Employee (name) Colene Solis (Initiated Call ☒  
Talked to:Name Jeresa Thompson (Initiated Call ☐ - Phone No. ( ) 539-4047  
of (Company/Organization) BLM (S.L. Office)3. Topic of Conversation: Re-entry of well.4. Highlights of Conversation: Jeresa said well was  
never re-entered. Lat Energy was to re-enter the  
well by Sept. 1, 1987 or permit would be  
Automatically terminated because of expiration  
of lease. BLM approval was recorded as of 9/1/87.



# State of Utah

DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

Norman H. Bangerter

Governor

Dee C. Hansen

Executive Director

Dianne R. Nielson, Ph.D.

Division Director

355 West North Temple

3 Triad Center, Suite 350

Salt Lake City, Utah 84180-1203

801-538-5340

July 27, 1989

Lab Energy  
7107 South 400 West, Suite 10  
Midvale, Utah 84047

Gentlemen:

Re: Lab Energy 14-12 Sec. 14, T.7S, R.4W, Tooele County, Utah  
API No. 43-045-30019

In concert with action taken by the U.S. Bureau of Land Management, approval to re-enter and deepen the referenced well is hereby rescinded. A new Application for Permit to Drill must be filed with this office for approval prior to the commencement of any future work on the subject location.

If any previously unreported operations have been performed on this well location, it is imperative that you notify the Division of Oil, Gas and Mining immediately.

Sincerely,

Don T. Staley  
Administrative Supervisor

TAS/tc

cc: D. R. Nielson

R. J. Firth

BLM-Salt Lake City

Well files

WE17/110